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Near East and South Asia Review

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11 October 1985

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11 October 1985

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Near East and
South Asia Review

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Articles

Fatah's Security and Intelligence Organizations: Operational
Capabilities

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Fatah, the largest component of the Palestine Liberation Organization, will probably order its security and intelligence organizations to strike back at Israeli targets in response to the bombing of PLO headquarters near Tunis even though PLO and Fatah chief Arafat will continue to argue that terrorism undermines efforts to achieve a Palestinian state.

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Lebanese Economy: Down But Not Out

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After 10 years of intermittent civil war, Lebanon's economy is probably operating at about 50 percent of its prewar level, and, despite some progress in rebuilding foreign exchange reserves and reviving agricultural production, extensive rebuilding will not begin until an overall political settlement is reached.

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Iran: Political Debate Over Foreign Exchange Crisis

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Sagging oil sales and low foreign exchange reserves have forced drastic reductions in imports since the beginning of the year and have led to both a bitter debate within the government over the control of foreign trade and increased discontent within key interest groups.

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Iran-Iraq: A Contest of Morale

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The morale of both the Iraqis and Iranians is sagging as the war drags into its sixth year, and, although poor morale does not appear to be an immediate threat to either regime, each is probably concerned over the trend it observes at home even while it takes encouragement from deteriorating morale across the border.

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Iraq: The RCC and Collegial Decisionmaking

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The Revolutionary Command Council is Iraq's supreme decisionmaking body, and, although President Saddam Husayn dominates its proceedings, considerable consultation occurs, facilitated by the body's homogeneous composition.

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Iraq: Samir Muhammad al-Wahhab al-Shaykhli and the Ba'th Party Bureaus

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The secretaries who run the eight bureaus of the Ba'th Party are among the most powerful officials in Iraqi politics, but they depend for their survival on the favor of President Saddam Husayn, and the precariousness of their position was demonstrated this summer when Saddam stripped Samir Muhammad al-Wahhab al-Shaykhli of his two bureau posts.

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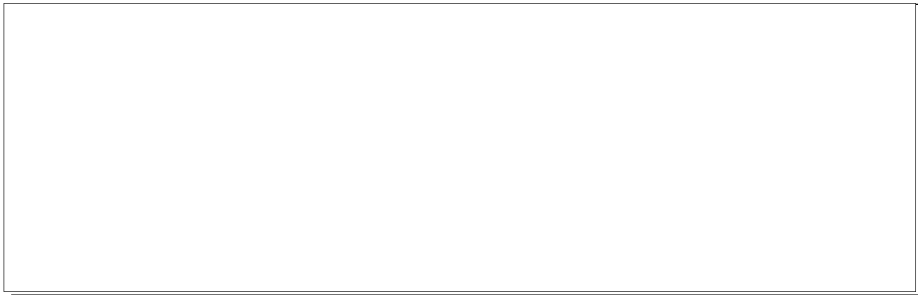
Iraq-North Yemen: Hands Across the Peninsula

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Relations between North Yemen and Iraq have been improving as North Yemen seeks a counterweight to Saudi influence. Baghdad's leadership aspirations in the region will motivate it to provide military training and technical assistance when the Iran-Iraq war ends and strengthen its Ba'thist network in North Yemen.

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Proximity Talks on Afghanistan: Pakistan's Objectives

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The government of President Zia ul-Haq probably has been testing the intentions of the new Soviet leadership in the recently concluded fifth round of talks on Afghanistan, but it shows no sign of weakening its demand that the Soviets set a firm timetable for the withdrawal of their forces.

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Growing Risks for Western Travelers in Afghanistan

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Although Western journalists and medical personnel have operated relatively easily inside Afghanistan in the past, better Soviet intelligence and more frequent military operations are increasing the risks.

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Afghanistan: Soviet Aggressiveness and Regime Ineptitude

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Large Soviet operations in Afghanistan between June and October were prompted primarily by Soviet efforts to compensate for the inability of regime forces to maintain even a facade of control rather than by a Soviet effort to dramatically escalate the war, and the Soviets will probably have to carry an even heavier burden of the fighting over the coming months.

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The Afghan Air Force: Moscow's Unreliable Ally

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The Afghan Air Force suffers from a lack of will and internal unrest because of improved insurgent military performance, Soviet domination, and feuding between the two factions of the Afghan ruling party, and, with its prospects for improvement poor, the Soviets will continue to assume the lion's share of the air war.

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India: Naval Power and Regional Dominance

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New Delhi has made controlling the Indian Ocean a central if long-term goal of its regional strategy, but, although it already has the largest fleet of the littoral states, it has neither sufficient naval assets nor prowess to deny US or Soviet access to the Indian Ocean.

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India's Role in Sri Lankan Party Politics

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India's four-month-old effort to broker a negotiated settlement between the Sri Lankan Government and Tamil separatists has drawn New Delhi into the heart of Sri Lankan party politics, strengthening the ruling United National Party at the expense of the Sri Lanka Freedom Party, New Delhi's traditional ally.

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[redacted]

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Bangladesh: Ershad's Hectic Autumn [redacted]

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President Ershad faces important challenges this fall as he prepares for a gradual relaxation of martial law and national elections—tentatively scheduled for early 1986—while continuing to suppress opposition and leftist agitation and retaining the support of the military, and these tasks may prove too much for him. [redacted]

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Religion and Identity: Highlights of an International Congress [redacted] 47

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Many societies worldwide are turning to religion to find more well-defined and psychologically comforting identities, and, despite the wide variety of beliefs and practices, the most fruitful research lies in the analysis of the underlying commonalities of religious belief and behavior. [redacted]

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Some articles are preliminary views of a subject or speculative, but the contents normally will be coordinated as appropriate with other offices within CIA. Occasionally an article will represent the views of a single analyst; these items will be designated as noncoordinated views. Comments may be directed to the authors. [redacted]

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Articles

Fatah's Security and
Intelligence Organizations:
Operational Capabilities

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We believe Fatah, the largest component of the Palestine Liberation Organization (PLO), will order its security and intelligence organizations to strike back at Israeli targets in response to the bombing of PLO headquarters near Tunis. PLO and Fatah leader Arafat's chief security aides have in the past voiced the need for a more demonstrative "strategy" as a reminder that Fatah retains its revolutionary credentials, and Fatah hardliners are likely to call for an end to Arafat's 1974 ban on international terrorism. A collapse in the Washington-Amman Middle East peace initiative would provide Fatah hardliners with more ammunition to support their views. We believe Arafat will continue to try to prevent his followers from engaging in international terrorism, arguing that it undermines PLO efforts to achieve a Palestinian state, but we do not rule out the possibility that militant Fatah elements might attempt an attack on Western interests.

Israel has charged the Western Sector and Force 17, two of Fatah's key security organizations, with responsibility for recent increased terrorist activity in the West Bank. Israel states

that Force 17 was responsible for the killing on 25 September of three Israeli yachtsmen at Larnaca, Cyprus. Both Force 17 and the Western Sector have main offices in Amman and would be major targets should Israel carry out its threat to bomb PLO facilities in Jordan.

Fatah's Security Apparatus

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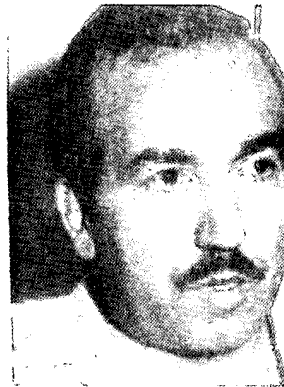
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Arafat maintains control over the various leaders of the security groups by cultivating the internal rivalry and jockeying for power that exists among his subordinates who head these organizations. Arafat's style of management may contribute to a lack of cohesion in the security organizations, but it also promotes competition among them to claim responsibility for certain operations. In some cases this practice has led to exaggerated or false claims. We believe that such rivalries probably have been a factor in the recently increased Fatah-directed terrorism against Israelis on the West Bank. []



*Khalil al-Wazir (Abu Jihad),
Chief, Western Sector* []

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The Organizations

Western Sector. The Western Sector, led by Deputy Commander Khalil al-Wazir (Abu Jihad), is the primary Fatah body responsible for military operations in Israel and the Occupied Territories. Several "committees," located in the West Bank, are responsible for recruiting operatives and maintaining specific underground networks. []

[] there are some 100 activists in the Western Sector infrastructure in Amman; [] describes the Western Sector apparatus in Jordan as consisting of 150 "loosely organized followers." []

Israel charges that the Western Sector's increased presence in Jordan is directly responsible for recent terrorist attacks inside Israel and the Occupied Territories. Abu Jihad has taken credit for two abortive sea attacks the Israelis stopped last March and April. Abu Jihad also has claimed his group was responsible for two attacks in August on Israeli citizens living in the West Bank in which one was killed and another wounded. []

In spite of what we believe to be stringent Jordanian efforts to monitor the activities of the Western Sector, it is possible that Sector operatives may have

prompted recent attacks. Israel's release last May of 1,150 Palestinian prisoners, including some 600 that Israel allowed to stay in the West Bank, may have contributed to recent attacks by supplying experienced manpower. []

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United Security Organization (USO). Controlled by the PLO but staffed primarily with Fatah personnel, []

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[] The status and duties of the USO have evolved largely from the influence of its head, senior PLO/Fatah official Salah Khalaf (Abu Iyad). Abu Iyad's BSO terrorist heritage, a legend that he has neither encouraged nor dispelled, may color some of the information about him and the USO. []

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Abu Iyad's headquarters are in Tunis. []

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Salah Khalaf (Abu Iyad),
Chief, PLO United Security
Organization [redacted]

[redacted]

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[redacted]

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[redacted]

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[redacted]
[redacted] Abu Iyad has opened a "center" for the
USO in Amman [redacted]

[redacted] We have no further
information on the plans and activities of the Amman
USO office and believe that its purpose is more
prestigious than operational. In early 1982 the USO
had a military headquarters in the Beirut area which
we assume closed when Arafat departed Lebanon.

[redacted]

[redacted]

We cannot verify that Abu Iyad intended to
circumvent Arafat's international terrorist ban and
independently order terrorist operations against US or
other international interests. If Abu Iyad directed his
personnel to plan such operations, he may have sought
to remind Arafat of his independence and political
differences and Arafat's limited capabilities to
discipline subordinates. Arafat transferred many of
Abu Iyad's followers to Abu Jihad's Western Sector
last December, rationalizing the order as a move to
centralize military operations against Israel,

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Force 17. Force 17, headed by Mahmud Ahmad al-
Natur (Abu Tayyib), evolved during the mid-1970s
into a security organization to protect senior-level
PLO and Fatah officials. We judge that over the last
few years it has grown into an elite, tightly knit corps
that may sometimes act as a strike force against
opponents of Arafat and other senior PLO officials. In
1982, Force 17 was believed to have approximately
120 members. We do not believe this group suffered
much from Arafat's departure from Lebanon, and the
organization may even have grown in the last three
years to accommodate its broader operational
activities. [redacted]

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Abu Tayyib's new headquarters are in Amman, [redacted]

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[redacted]

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[REDACTED]

Looking ahead, Arafat cannot, and will not, renounce terrorism and still retain leadership over the PLO and the loyalty of Fatah members, his first priority; nor does he have unlimited time to demonstrate progress on the diplomatic track. We believe that Arafat will argue against a return by Fatah to international terrorism in the belief that it undermines PLO political efforts. He may approve contingency planning or permit limited terrorist action to let Fatah militants blow off steam. In our judgment, Fatah operatives would be quite capable of carrying out acts of terrorism against what Fatah considered hostile international interests, including those of the United States. [REDACTED]

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Recently, Force 17 has been linked with attempts against Syrian interests in Western Europe, including an unsuccessful operation in West Berlin last January and another in May in which two Palestinians were arrested in Madrid for planning an attack on the Syrian ambassador to Spain. Both men arrested in Madrid claimed to be members of Force 17,

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[REDACTED]

[REDACTED]

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[REDACTED] Force 17 was responsible for the attack on 25 September in Cyprus in which three Israeli yachtsmen were killed. [REDACTED]

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[REDACTED] Abu Tayyib may be the most prone of Arafat's aides to boasting, but the competition for power and credibility within Fatah was probably a major factor in Abu Tayyib's motives for carrying out the Larnaca attack. [REDACTED]

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Outlook

Arafat's security chiefs will press for reprisals against Israel's airstrike on PLO headquarters. Stronger warnings by King Hussein against conducting terrorist operations from Jordan may cause Arafat to urge restraint until Fatah operatives can carry out an operation against Israeli targets that cannot be traced to Fatah operatives in Jordan. [REDACTED]

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Lebanese Economy: Down But Not Out

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After 10 years of intermittent civil war, the Lebanese economy is probably operating at about 50 percent of its prewar level. Much of Lebanon's economic infrastructure has been damaged or destroyed, many of its most skilled people have emigrated, and the country is cut up into sectarian zones of influence.

The government still provides some services, bankrolls a bloated payroll, and collects limited taxes and fees, but it cannot rule the country. The health of the economy remains dependent upon the security situation, and extensive rebuilding probably will not begin until an overall political settlement is reached.

In the last year, inflation has jumped to about 75 percent, the Lebanese pound has depreciated by 60 percent, and government debt has grown by over one-third. On the plus side, the Central Bank has been able to partially rebuild its foreign exchange reserves, and agricultural production is beginning to recover from the disruptions caused by the Israeli invasion in 1982.

Borrowing To Stay Alive

In Lebanon, government spending not only primes the pump, but also provides much of the fuel to keep the economy running. According to the US Embassy, government spending, through its payroll and a few public works projects, is one of the main reasons the economy remains afloat. Unfortunately, spending has continued to grow, while revenues have dropped to practically nothing.

Revenue from customs receipts, formerly the main source of government funds, was budgeted at about 3 billion pounds (\$160 million) for 1985, 35 percent of total revenues.¹ The government's plan to take over illegal ports last fall was largely a failure. Customs duties for the first half of 1985 totaled only 200 million pounds (\$10 million), less than 15 percent

of what was needed to meet the budget. Nonetheless, expenditures, originally budgeted at 11.4 billion pounds (\$600 million) for 1985, were increased at midyear to 12.4 billion (\$650 million)—and could go higher.

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the overall government deficit amounted to 6.4 billion pounds in 1982, 8 billion pounds in 1983, and 9.2 billion pounds in 1984. The 1984 deficit equaled over one-third of Lebanon's estimated GNP, one of the highest shares in the world. The deficit for 1985 will probably again set a record, well over 10 billion pounds (\$530 million).

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The government has had to borrow extensively to make up its budget shortfall. Government debt grew from 30.5 billion pounds (\$1.6 billion) at the end of 1984 to 40.7 billion pounds (\$2.1 billion) at the end of July, and debt service now accounts for about one-fourth of total government expenditure. So far, the government has had no problem funding its deficit because Lebanese banks have few local investment alternatives. The cost of borrowing has risen steadily, however, with average rates on treasury bills now around 17 to 18 percent.

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Typical of the straits in which the government finds itself, the Ministry of Finance is attempting to stop paying for imported crude and petroleum products to force the Cabinet to cut petroleum subsidies. The Director General of the Ministry stated that the petroleum budgetary deficit will probably exceed 11 billion pounds (\$580 million) this year and that about 25 percent of locally produced and imported petroleum products were illegally reexported to other Mediterranean countries. According to official statistics, the port of Beirut alone imported enough petroleum in 1984 to satisfy Lebanon's total domestic

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¹ All pound figures are converted to US dollars at the current rate of 19 pounds to the dollar.

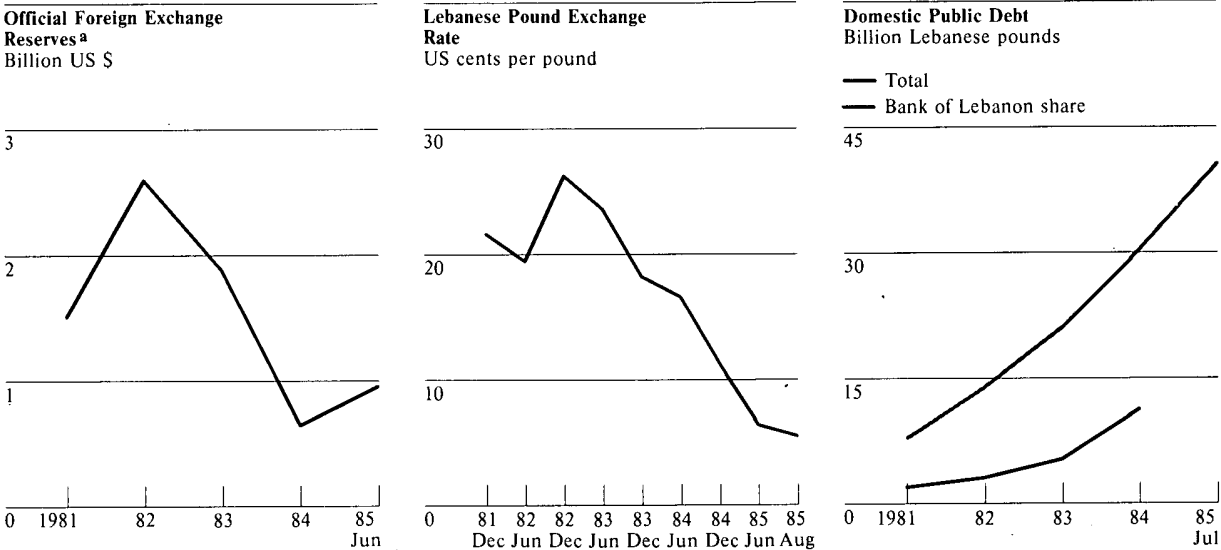
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Lebanon: Selected Financial Data, 1981-85



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demand. At the same time, there have been stories of entire shiploads of Lebanese products going abroad.

Although the Ministry hopes to force the Cabinet to double petroleum prices, the Central Bank apparently tried similar tactics several months ago and failed. The Ministry's efforts are likely to boost petroleum prices sharply but will also cause considerable confusion and petroleum shortages. In addition, renewed sectarian clashes may result if the Muslim militias perceive the fuel shortages as a Christian plot.

The Economy Hangs On

According to the US Embassy, industry continues to function, albeit at a very low level. The unstable security situation keeps industrialists from expanding capacity, maintaining large inventories, or even anticipating future sales. In addition, the fighting

keeps workers from their jobs and holds down the number of shifts during calm times because workers can get to and from their jobs only during daylight hours. Credit limitations and the drop in the value of the pound have hurt manufacturers' ability to import raw materials. Tax-free goods brought in through illegal ports also make many domestic products uncompetitive. Despite these adverse conditions, some industries have prospered by adapting to existing conditions. Profitable industries include ready-to-wear clothing, electrical fixtures, publishing, wine, fruit juices, and jewelry.

Commercial activity has been hurt by the contraction of local demand, credit limitations, and fear of damage to stocks. On the other hand, it has been helped by a lively trade in smuggled goods going to

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Syria. Although the extent of this trade is not known, it has been variously estimated to be at least \$50 million and possibly as high as \$75 million a month. [redacted]

Agriculture probably has the brightest prospects of any of Lebanon's economic sectors. Agricultural sales suffered considerably following Israel's invasion of Lebanon in 1982. Orchards were destroyed and land was taken out of production for security reasons. In addition, transportation difficulties and boycotts by some Arab countries caused domestic sales and exports to fall. With the Israeli withdrawal, most of the marketing bottlenecks probably will be reduced and more land put into production. The fall of the pound also makes Lebanese farm products more competitive in export markets. [redacted]

External Accounts May Actually Improve

Before 1983, Lebanon ran large trade deficits that were offset by remittances from abroad and by surpluses in the service sector. In the last couple of years, however, remittances, which once totaled more than \$2 billion a year, have fallen off considerably as the growing number of Lebanese living outside the country have kept their money abroad. Accurate statistics are unavailable, but [redacted] estimates that the country's overall foreign payments position went from a \$360 million surplus in 1982 to a deficit of nearly \$1 billion in 1983, and to nearly \$1.5 billion last year. [redacted]

This year, Lebanon's foreign payments position may improve. The 60-percent fall in the pound's value against the dollar since last September should cut into import demand and help exports of both agricultural and manufactured products [redacted]

There have also been numerous reports of the renewed flow of funds from abroad to militias in Lebanon. This has been especially attributed to efforts by the PLO to reestablish its position within the country. According to a US Embassy report, the consensus in the Beirut financial community is that the Palestinians brought in some \$400 million during April, May, and June but nothing during July and August. If true, this helps explain the partial strengthening of the pound at midsummer. Another Embassy report estimates average monthly flows to Muslim militias of at least \$50 million a month. [redacted]

Lebanon: *Million US \$*
Balance of Payments, 1981-84

| | 1981 | 1982 | 1983 | 1984 |
|-------------------------------|--------|--------|--------|--------|
| Trade balance | -2,404 | -2,413 | -2,699 | -2,117 |
| Exports (f.o.b.) ^a | 836 | 727 | 691 | 595 |
| Imports (f.o.b.) ^a | 3,240 | 3,140 | 3,390 | 2,712 |
| Overall balance ^b | NA | 360 | -933 | -1,475 |

^a Trade partner data.
^b Estimated from financial flows.

[redacted]

The amount of capital fleeing the country is also likely to decline. Most of the money that could be taken out has probably already left the country. The rapid depreciation of the pound will also discourage further flows. The main factor that would cause renewed capital outflows would be an all-out push by the Muslim militias against the Christian heartland, which seems unlikely at the moment. [redacted]

Unusual Sources of Income

Although Lebanon's economic picture is gloomy, this does not mean that people are without food or that there is not considerable money in circulation. The Lebanese are enterprising and still have sources of funds:

- The overseas money flowing to the various militias may total as much as \$100 million a month, and both Muslim and Christian groups provide employment for otherwise unemployed youth.
- Illegal trade with Syria increases commercial activity and provides income.
- Remittances from Lebanese workers and businessmen abroad still continue, perhaps on the order of \$60-90 million a month.

Finally, there is the lucrative drug trade. Hashish cultivation in the Bekaa Valley has been unencumbered by government control or Syrian interference for the past several years. The hashish trade has been estimated to be worth \$600 million to

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\$1 billion a year to Lebanon, and some press sources put the total as high as \$2 billion a year. Lebanon is also a transit point for cocaine and heroin.

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Outlook

The Lebanese economy cannot rebound until the security situation is brought under control. This, however, would require a political accommodation between the various factions that is unlikely in the near future. The government will have to continue to finance its spending through borrowing, which will eventually generate greater inflation. If the civil war remains relatively calm—a precarious assumption—the pound will depreciate at a slower rate than it did over the past 12 months. Although this year's foreign payments position may improve, infusions of foreign aid needed for rebuilding will remain minimal until Lebanon's political situation is resolved.

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Iran: Political Debate Over Foreign Exchange Crisis []

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Sagging oil sales and low foreign exchange reserves have forced drastic reductions in imports since the beginning of the year and have led to a bitter debate within the government over the control of foreign trade. The shortage of hard currency has caused depressed industrial output to fall even further and threatens more cuts in an already austere development program. Prime Minister Musavi's government, made up largely of radicals, has been blamed for mismanagement and corruption by the more conservative Consultative Assembly (Majles) and by the Iranian press. General discontent over the economy remains high within the Revolutionary Guard and the merchant class—both key interest groups. Tehran's concern over the vulnerability of its oil exports has spurred efforts to raise foreign exchange reserves, and this is likely to aggravate problems in the near term. []

Imports Slashed

Iran has slashed imports in the face of low oil revenues to avoid drawing on its limited foreign exchange reserves. Imports in the first three months of 1985 from OECD countries—about two-thirds of total imports—were down 46 percent from the same period in 1984. The trend has continued into the summer. Numerous press reports indicate rising complaints by Iranian importers about the difficulties of obtaining government permission to import goods. []

Foreign exchange shortages have even forced Tehran to restrict cash purchases of some items it considers high priority. []

[] in June, for the first time, Iran requested delayed payment terms on purchases of medical supplies. Moreover, Western banks have tightened letter of credit procedures for customers dealing with Iran, [] Press reports indicate many firms stayed away from the Tehran International Trade Fair in early September because they believed business opportunities did not justify the expense and personal hazards involved.

Foreign firms in Iran report that Tehran has clamped down hard on remaining imports and currency transfers abroad. The firms describe the current foreign exchange crisis as the most severe since the revolution. []

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Tehran's difficulties over the past several months are directly linked to the soft oil market. Iranian exports to OECD countries in the first quarter of this year were down 47 percent from the first quarter last year. We estimate that oil exports—about 95 percent of foreign exchange earnings—averaged only about 1.5 million barrels per day (b/d) during the first six months of the year compared with about 2 million b/d in the same period last year. Oil prices also have dipped, with spot prices of Iranian light falling from around \$27 per barrel in June 1984 to about \$25 this June. Iraq's current bombing campaign against Khark Island has made a bad situation worse.

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[] oil exports have been reduced by more than half as a result of recent attacks on Khark, and Tehran is increasingly frustrated over its inability to defend the island. []

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Shoring Up Revenues

The attacks on Khark Island have highlighted Iran's need to maintain its dwindling foreign exchange reserves. We estimate that Iran's foreign exchange reserves currently stand at \$4-5 billion, but only about \$2 billion is readily accessible. At least \$1 billion is tied up in negotiations over the fate of a loan made by the former Shah to the French Government. Another \$1.5 billion is illiquid or in the form of uncollectable loans to Third World countries. Readily accessible reserves are sufficient to maintain the current low rate of imports for two to three months if revenues are completely cut off. []

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Since the beginning of this year, Tehran has sought to limit the drain on its foreign exchange reserves to avoid turning to foreign credit or cutting essential

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imports in an emergency. The Majles had hoped to bolster reserves though a provision in the recently passed Foreign Exchange Budget Bill requiring 10 percent of all foreign exchange receipts to be set aside in a Special Emergency Reserve Account with the Central Bank. At current revenues, however, this measure would increase import coverage by only about three weeks in the first six months. []

Efforts to boost nonoil exports have foundered. An overvalued rial has been a major obstacle. The government pays exporters at the official exchange rate for foreign currency; they would earn six or seven times more at black-market rates. Preferential exchange rates on nonoil exports and other incentives were included in the Majles's foreign exchange bill passed this summer, but the bill is still awaiting approval by the Council of Guardians. Nevertheless, the Central Bank, which would oversee implementation, is unwilling to offer exchange rates near market rates for fear of increasing inflation. At any rate, because nonoil exports are only a small share of the total, any boost probably would not add significantly to Iran's revenues. []

Economic Impact

Reduced imports have lowered domestic production, aggravated a general scarcity of consumer goods, and slowed development. [] most goods are available only at high black-market prices. Shortages of raw materials and spare parts have cut production or caused outright closings in many industries. In July, Heavy Industries Minister Nabavi said that lack of foreign exchange caused average monthly production for March through June to fall 24 percent compared with the same period a year earlier, according to the Iranian press. Articles and editorials in the Iranian papers are especially critical of the many layers of bureaucracy created to conserve foreign currency. []

Development programs are being cut further at a time when some public services are already at a postrevolutionary low. Prime Minister Musavi has admitted that slower development is inevitable because of low oil revenues. The Iranian press reports that power cuts in Tehran and other large cities occur for periods of five or six hours a day, the longest since 1979. In addition, many cities and parts of Tehran

face water shortages. Press reports indicate that large sections of Shiraz have access to water for only one hour a day. Iranian officials regularly call for voluntary restraints on water and electricity use, but with little apparent success. []

Industrial development has been particularly hard hit. This is sparking increasing criticism from proponents of industrial growth and, ironically, frustrating plans for greater self-sufficiency. Minister of Industries Shafei recently complained in a report to the Majles that meager foreign exchange allocations to the industrial sector are to blame for the failure of his Ministry's plans. The Minister warned that current allocation rates provided only 10 percent of the foreign currency needed for this year's planned projects. []

Political Repercussions

Conservatives blame mismanagement and corruption for many of Iran's foreign exchange problems, and they have used these charges to discredit their radical opponents in Musavi's government. During debate on this summer's foreign exchange bill, members of the Majles criticized the government for deviating from official import priorities. They cited examples such as a letter of credit for vital oil industry equipment that took months while one for television components took only a few weeks. Press reports indicate that political clout, bribes, and outright mistakes have resulted in some commodities being overordered while critical components have not been ordered in time. []

The more conservative Majles has capitalized on the government's inability to manage the economy by seeking a greater role, especially in foreign trade. In August the Majles passed bills requiring that representatives of the Assembly be admitted to sessions of the Foreign Exchange Appropriations Committee and that the government publicly disclose details of foreign exchange expenditures. In addition, the legislature recently directed the Petroleum Ministry to report oil revenues monthly and forecast receipts three months in advance. Most government officials oppose this interference. They are concerned that, if ratified by the Council of Guardians, these and other actions by the Majles would impair the Cabinet's ability to act decisively. []

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The government's public image has suffered from poor management and corruption. Efforts to conserve currency and the resulting depression of economic activity have increased dissatisfaction with the regime among key interest groups. []

[] some Revolutionary Guard members have been critical of the clerics and other high-ranking government officials, and the powerful merchant class is chafing under strict limitations on travel and transfers of foreign currency and confiscation of profits from sales abroad. []

Outlook

Low foreign exchange reserves, combined with a weak oil market, will keep Tehran's economic margin thin. A lengthy shutdown of Khark Island would reduce oil exports by at least 75 percent and would be economically debilitating, especially if combined with hoarding, renewed strikes, or a poor fall harvest. []

[] people in Tehran are already hoarding basic food items in response to rumors and foreign radio reports of attacks on Khark. []

The economy is by far the most divisive issue facing the government, and increased political infighting over distribution of the shrinking economic pie is likely to open wider rifts between opposing factions. Radicals will probably bear most of the political heat, and the Majles will be able to further expand its power. Moreover, government mismanagement and lower revenues will increase reliance on the private sector, thwarting radicals' plans to increase centralized planning and direction. []

Reduced operations at factories could lead to renewed labor unrest if leaders emerge to organize workers. []

[] workers' purchasing power has already fallen by at least 35 percent since the revolution. The regime remains wary of a repeat of the strikes that occurred earlier this year. The Minister of Labor recently expressed concern over acts of sabotage in Iran's production units and warned workers against political activities. []

General discontent over lower levels of imports and the state of the economy will probably increase. Moreover, attacks on Khark Island and Tehran's drive to at least maintain foreign exchange reserves will spur Iran's program to cut imports. Prime Minister Musavi recently announced that taxes and government-controlled prices are likely to rise, according to the Iranian press. Stricter government controls on trade will open even greater opportunities for corruption and will spur black-market activity. These factors are likely to further erode popular confidence in the government. []

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Iran-Iraq: A Contest of Morale

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Fighting on the battlefield in the Iran-Iraq war has tended to obscure an equally serious test of morale.

[redacted] the morale of both Iraqis and Iranians is sagging as the war drags into its sixth year. There are signs the Iranian populace resents years of austerity and futile casualties. If Iraqi strikes against Khark Island produce a sustained reduction of Iranian oil revenues, the resulting economic hardships will probably cause new unrest among the lower classes, which have been a bulwark of the Khomeini regime. [redacted]

On the Iraqi side, we believe the regime of Saddam Husayn is not immediately threatened, but the will to resist Iran is weaker than a year ago. Baghdad's recent war decisions suggest that its concern over low morale is leading it to make greater efforts to bring Iran to the bargaining table. [redacted]

Falling Morale in Iraq

[redacted] The US Embassy in Baghdad observes that last month's Babylon Festival had noticeably less spirit than the 1984 affair. Representation from the ruling Ba'th Party was low, the speeches were shorter and less bombastic, the claque was more obviously staged, and the obligatory applause—whenever President Saddam Husayn's name was mentioned—more perfunctory. [redacted]

[redacted] noted an increase in antiregime jokes and finds civilian morale at its lowest point in two years. This drop has occurred despite the regime's successful efforts to maintain the supply of consumer goods. [redacted]

Iraq's mood has plunged from the high point reached after the defeat of a major Iranian ground offensive in the Hawz al-Huwayzah marshes in March. The government's proclamation of a decisive victory in a battle that it described as the largest of the war and its organization of "spontaneous" public celebrations probably created unrealistic expectations among the populace and officialdom alike. We believe that spirits

sagged when Iraqis became aware of the victory's high cost in casualties and of Iranian preparations for further offensives. Moreover, US officials report that morale in Baghdad suffered further in June when Iran launched Scud missile attacks on the capital, which had largely escaped the physical effects of war for over two years. [redacted]

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The spirits of Iraq's Shias—who comprise 55 percent of the population and 80 percent of the enlisted ranks of the military—are of particular concern. [redacted]

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[redacted] a new generation of sympathizers of the Islamic Call Party, or Da'wa, the Iran-based organization of largely exiled Iraqi Shia dissidents. The sympathizers share the party's goal of an Islamic regime in Iraq. The US Embassy believes, however, that they are unlikely to act unless the grip of the Ba'th Party and its ruthless and effective security services seems to be slipping. [redacted]

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Sagging Iranian Morale

Iranian morale shows even more serious signs of weakness. [redacted] many Iranians oppose the regime because of the war, financial hardships, and governmental corruption and repression. [redacted] Tehran's urban poor, one of the mainstays of Khomeini's support, are showing signs of antiregime sentiment. [redacted] spontaneous demonstrations broke out in the lower-class districts of southern Tehran after Iraqi bombing raids last April. [redacted]

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The Iranians have suffered considerably more economic hardship than have the Iraqis. Reduced oil revenues and imports have slowed development, lowered production, and aggravated the general

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scarcity of consumer goods. We estimate that imports dropped at least 40 percent in the first half of 1985. [redacted] most goods are in short supply or unavailable at official prices, forcing buyers to pay black-market rates. Inflation and the Iranian Government's mismanagement of the economy have led to further suffering, particularly among the urban lower classes. [redacted]

[redacted]

lead Baghdad to maintain pressure on Iran and to extend attacks to economic targets in the interior if military successes do not bolster the Iraqi popular mood. In short, the Iraqis will feel a new urgency to press the offensive, without abandoning the caution that has characterized their approach to the war. If Iran thwarts Iraqi attacks by downing more Iraqi aircraft or finding new ways to export its oil, the Iraqis are likely to escalate further without the lengthy delays that have taken place between earlier escalations. [redacted]

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Prospects

Poor morale does not appear to be an immediate threat to either regime, but each government probably is concerned over the trend it observes at home even while it takes encouragement from deteriorating morale across the border. Neither side is likely to view time as being on its side. Iraqi attacks against Khark Island, through which over 80 percent of Iran's oil exports had been shipped, have reduced Iran's exports from the island by more than half. We believe that discontent will mount sharply if oil income remains significantly below its former levels for more than a few weeks. [redacted]

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For its part, Iraq is likely to pursue all the harder its efforts—especially attacks against Khark—to force Iran to the bargaining table. Concern over morale will

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Iraq: The RCC and Collegial Decisionmaking [REDACTED]

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The Revolutionary Command Council (RCC) is Iraq's supreme decisionmaking body. Its membership includes President Saddam Husayn and the leaders of Iraq's ruling Ba'th Party, such as First Deputy Prime Minister Taha Yasin Ramadan. For years, diplomats have speculated about how the RCC conducts business in its secret sessions. Does it debate important questions and reach decisions by consensus, or does it merely rubberstamp Saddam's views? We believe considerable consultation occurs and that the RCC's homogeneous composition facilitates the decisionmaking process. [REDACTED]

Background

In 1982 the leaders of the ruling Ba'th Party convened a long-postponed party congress in Baghdad—the first such meeting since Saddam took power in 1979. At the congress, the party leaders took several far-reaching decisions. In particular, they reduced the size of the RCC from 17 to nine members. US diplomats reported that this was done at the behest of Saddam, who mistrusted the loyalty of eight RCC members who were holdovers from the regime of his predecessor, Ahmad Hasan Bakr. By removing doubtful elements from the RCC, the party leaders strengthened the President's authority. [REDACTED]

At the same time, however, the party leaders tempered the President's victory by publicly reaffirming their support for the principle of collegial decisionmaking. [REDACTED]

[REDACTED] Ba'th Party rules specify that decisions in the RCC are to be arrived at collegially. The President is expected to consult with other members of the RCC, and afterwards a vote is supposed to be taken. The resulting decision is binding and may not be criticized, under threat of severe penalty. [REDACTED]

Nevertheless, almost from the moment he took over as President, Saddam rejected collegial decisionmaking in the RCC. In 1979, when a number of RCC members suggested he follow this procedure, he

reacted violently. According to US diplomats, Saddam accused the members and their supporters of plotting against him and executed 21 of them. Saddam's harsh action appeared to lay to rest the issue of collegiality, and US diplomats were surprised when it reappeared at the party congress in 1982. The diplomats commented that the party leaders seemed determined to check Saddam's arbitrary style of decisionmaking. [REDACTED]

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Saddam's Vulnerability

In 1982, according to US diplomats, Saddam's position was "shaky." Two years earlier he had taken Iraq to war with Iran in expectation of a quick victory. Instead, the war had gone badly. By June 1982—when the party congress was held—Iran's forces were poised to invade Iraq at Al Basrah. According to press reports, the President could not hope to maintain himself in power except through repression. [REDACTED]

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US diplomatic reporting suggests that the party leaders exploited Saddam's weak position. They exacted promises from him to consult on all major and some minor questions, in return for which they agreed to remove from the RCC elements whose loyalty Saddam doubted. [REDACTED]

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The Case of Barzan Tikriti

The removal of Saddam's half brother, Barzan Tikriti, as director of Iraq's internal security service, the Mukhabarat, supports the hypothesis that party leaders began asserting their autonomy in 1982.

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[REDACTED] a number of RCC members in 1983 accused Barzan of usurping functions that were reserved for the party and interfering in all areas of Iraqi public life. They claimed they did not feel safe with him as head of the security apparatus [REDACTED]

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Barzan Tikriti had been a pillar of Saddam's regime. Under his direction, the Mukhabarat had suppressed unrest among Iraq's Shia population in the early days of the war. Barzan also had been a principal supporter of Saddam in 1979 when party leaders first raised the collegiality issue. Nonetheless, Saddam gave in to the RCC members' demands that he dismiss Barzan. Since the dismissal in October 1983, Barzan's access to the regime has been practically cut off, according to US diplomats in Baghdad. []

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Party leaders apparently have asserted themselves on other important issues. For example, []
[] a faction of the RCC was responsible for getting Saddam to scuttle truce talks with rebel Kurdish leader Jalal Talabani in 1984. []

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The RCC's Current Role

We believe Saddam dominates the RCC but consults with colleagues on that body. Saddam could not run Iraq without the active participation of such men as Ramadan, RCC Vice Chairman Izzat Ibrahim, and Foreign Minister Tariq Aziz, who oversee much of the government's day-to-day operations.¹ []

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We also believe that the homogeneous composition and small size of the RCC facilitates the decisionmaking process. Most members joined the party in the early 1950s and took part in the bloody street battles that marked its rise to power. They have similar experiences of living underground and being in prison. As a result, the members understand each other well. In addition, they have a vested interest in cooperating with each other because they know that Iraq's enemies will exploit visible differences among them. []

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¹ The remaining RCC members are Trade Minister Hassan Ali, Defense Minister Adnan Khayrallah, Speaker of Parliament Naim Haddad, Interior Minister Sa'dun Shakir, and Vice President Taha Muhyi al-Din Ma'ruf. []

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**Iraq: Samir Muhammad
al-Wahhab al-Shaykhli and
the Ba'th Party Bureaus** []

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The eight bureaus of the Ba'th Party are among the most influential bodies in Iraqi politics. They look out for corruption in the bureaucracy and are responsible for ensuring that the regime's policies are rigidly applied. The secretaries who run the bureaus are powerful but depend for their survival on the favor of Iraq's President Saddam Husayn. The precariousness of the secretaries' position was demonstrated this summer when Samir Muhammad al-Wahhab al-Shaykhli was stripped of his two bureau posts by Saddam. []

The Bureaus

The most important of the party bureaus—the Military Bureau—is headed by Izzat Ibrahim, Vice Chairman of the Revolutionary Command Council, Iraq's highest governing body. The other seven are the Student and Youth, Baghdad, Vocational, Popular Organization, Northern, Southern, and Middle Euphrates Bureaus. US diplomats say that Saddam regards the bureaus as his bridge to the party and the bureaucracy. []

The bureaus, working through 1 million party members, maintain surveillance over practically all areas of Iraqi society.¹ Party members are expected to report to the bureaus on the manner in which the regime's policies are carried out. The bureaus are particularly on the lookout for ministers who modify or reinterpret the regime's policies. []

[] a minister who tries to modify one of Saddam's directives may lose his post or his life, depending on the seriousness of the offense. []

The bureaus also monitor groups outside the bureaucracy. For example, the Military Bureau passes on the eligibility of officers for promotion. The Vocational Bureau watches labor unions and professional societies to make sure they are dominated

¹ There are about 30,000 card-carrying party members. Candidates, or associate members, number almost 1 million. []

by party stalwarts and do not act contrary to the regime's wishes. []

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Saddam's People

According to US diplomats in Baghdad, Saddam selects the secretaries to head the bureaus on the basis of their personal loyalty to him and their organizational talents. Muhammad Hamza al-Zubaydi, as secretary of the Southern Bureau, preserved Saddam's power base in the Shia-dominated city of Al Basrah during the early days of the war with Iran. Al-Zubaydi recruited party members from among the Shias and directed the security services to arrest members of the outlawed Da'wa Party. The secretary of the Popular Organization Bureau, Abd al-Ghani Abd al-Ghafur, headed an RCC investigating committee that uncovered politically and ideologically "unorthodox" elements in the government. []

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In effect, the secretaries are Saddam's hatchetmen. In this capacity, he uses them even against other elements of the party. According to US diplomats, in 1982 al-Shaykhli purged the party's student associations at the behest of Saddam. The President believed the student leaders were taking over Iraqi campuses and becoming dangerously independent. []

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As watchdogs of the regime, the bureau secretaries are largely isolated within Iraqi society. They have no support groups on which they can rely—not even within their religious or tribal communities. Five of the six current secretaries are Shias (al-Shaykhli is a Sunni), and, [] they are anathema to their coreligionists, who rarely receive political or economic patronage from their "representatives" in the regime. []

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Secret**Al-Shaykhli's Career**

Samir Muhammad al-Wahhab al-Shaykhli distinguished himself in 1979-80 when elements of Iraq's Shia community rioted in support of Khomeini's Islamic Republic of Iran. Al-Shaykhli, who was secretary of the party's Baghdad Bureau, suppressed demonstrations in the capital. He later implemented a modernization campaign that restored the decayed Al Thawrah quarter of Baghdad, one of the largest Shia ghettos in the Middle East. Largely because of al-Shaykhli's efforts, Al Thawrah today is considered a bastion of support for the regime. []

By assigning al-Shaykhli to a ministry, Saddam has reduced his public exposure and substantially reduced his influence, while continuing to exploit his organizational skills. Nevertheless, we do not believe Saddam has permanently downgraded al-Shaykhli. Saddam's regime is short of good administrators, and al-Shaykhli is one of the best, making it likely he will be rehabilitated and returned to a high post in the party. []

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In July 1982, at the ninth congress of the Ba'th Party, Saddam appointed al-Shaykhli secretary of the Student and Youth Bureau, while allowing him to remain secretary of the Baghdad Bureau. US diplomats in Baghdad interpreted this as evidence of Saddam's extraordinary confidence in him. []

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This summer, however, Saddam appointed al-Shaykhli Minister of Higher Education and Research. US diplomats in Baghdad speculated that he had been assigned to clean up the Ministry, which had been without a head for a year and a half. Shortly afterward, it was announced that al-Shaykhli had lost his bureau posts, leading to the conclusion he had been kicked upstairs. In Iraq, a ministry is not nearly as powerful as the bureaus. []

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Implications

Al-Shaykhli's downgrading is puzzling. US diplomats in Baghdad previously described him as Saddam's protege and assumed he would move up to a seat on the RCC. Al-Shaykhli does not appear to have disgraced himself; had he proved incompetent or corrupt, the Baghdad rumor mills would have reported this. []

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The most likely explanation is that al-Shaykhli had become too successful. Of all the secretaries, he alone appears to have a political following. US diplomats in Baghdad believe he retains wide support in Al Thawrah, where, as the former "mayor of Baghdad," he is a "hero" to poor Shias. []

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Iraq-North Yemen: Hands Across the Peninsula

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Relations between North Yemen and Iraq have been improving since 1979. North Yemen wants an Arab counterweight to Saudi influence and has provided combat troops to assist Iraq in its war with Iran. Iraq cannot help North Yemen financially, but Baghdad's leadership aspirations will motivate it to provide military training and technical assistance when the Iran-Iraq war ends. Iraq is also likely to step up efforts to strengthen its Ba'thist network in North Yemen.

Background

Iraqi-North Yemeni relations hit bottom in 1974 when Baghdad was implicated in a plot to overthrow the regime in Sanaa, and North Yemen's Foreign Minister was killed by Palestinian gunmen of the Iraqi-controlled Arab Liberation Front. Relations began improving in 1979 when a more pragmatic Iraq, seeking to establish itself as a leader in the region, played a major role in persuading South Yemen to abandon its border war against North Yemen. Baghdad also became a major source of foreign aid. President Salih, who came to power following the assassination of his predecessor in 1978, looked to Iraqi President Saddam Husayn as a political father figure because of the aid he had provided at a crucial time. Since then, Sanaa has come to view Baghdad as a valuable ally for three reasons:

- As an oil-producing state Iraq is a potential source of development and budgetary assistance.
- Iraq offers at least a partial counterbalance to Saudi political and economic influence.
- Iraq's relations with South Yemen—a longtime adversary of North Yemen—are generally hostile, in part because of the ill treatment of the local Ba'th Party by the Marxist regime in Aden.

Growing Military Ties

Cooperation between North Yemen and Iraq has been chiefly military. North Yemen shipped some Soviet munitions and spare parts to Iraq during the Soviet-imposed arms embargo early in the Iran-Iraq war,

and its "Arabism Brigade" has participated in the war against Iran. Although North Yemen has not publicized its involvement, Sanaa rotates a full combat brigade to Iraq every six months and has sustained casualties. We estimate that there are about 1,000 Yemeni troops in Iraq and that the number is increasing. Even though this is only a token contingent compared with the large forces Iran and Iraq have fielded, Sanaa almost certainly regards its support as a bargaining chip for Iraqi economic and military aid when the war winds down.

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Iraq is providing training for scores of North Yemeni students and officers. At least two Iraqi brigadiers have been helping North Yemen plan a reorganization and modernization of its military forces, and frequent visits to Sanaa by senior Iraqi military officers have helped solidify ties. The Iraqis also seem interested in a unique Yemeni weapons platform that combines a US-origin Vulcan air defense gun and a Soviet BTR-152 armored personnel carrier.

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Once the war ends, Sanaa will probably seek greater economic and military assistance from Baghdad as compensation for sending its "Arabism" brigades. Iraq is likely to view expanded economic and military ties to Sanaa as a way of bolstering its claim to regional leadership. Iraq may also believe that ties to North Yemen will give Baghdad greater potential leverage in dealings with Saudi Arabia.

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Baghdad probably will offer to increase military training for North Yemeni officers and send more Iraqi military advisers to North Yemen. Soviet-origin weapons constitute the bulk of the Iraqi and Yemeni inventories. As Iraq upgrades its equipment, it might be willing to supply some older Soviet equipment,

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such as tank transporters, tanks, and armored personnel carriers, which the Yemenis could integrate with relative ease into their arsenal. If Baghdad becomes a source of military equipment and training for North Yemen, it could help reduce Sanaa's dependence on the Soviet Union and might erode Moscow's political influence. []

Sanaa Remains Wary

Despite these affinities, a North Yemeni Foreign Ministry official has indicated to US officials that North Yemen will move carefully in strengthening relations with Iraq. Sanaa wants to keep the relationship on a state-to-state level and avoid allowing pro-Iraqi Yemeni Ba'thists to gain influence. This suspicion of foreign influence is shared by most Yemenis and may hinder additional strengthening of ties. []

Yemeni politicians have a long tradition of receiving subsidies from other Arab states, and Yemen wishes to avoid an expansion of such activities by Iraq. Deputy Prime Minister Mujahid Abu Shawarib, the brother-in-law of the leader of the Hashid tribal confederation, Shaykh Abdallah al-Ahmar, has such an Iraqi connection. The Abu Luhum clan, which includes the paramount shaykh of the Bakil tribal confederation and the former prime minister and now ambassador to the United States, Muhsin al-Ayni, is another group with ties to Baghdad. []

Baghdad Builds the Ba'th

Iraq has long tried to build a Ba'thist organization in North Yemen. Iraq's ambassador to Sanaa during the late 1970s was charged with reviving the Ba'th Party in Yemen. Competition with Syria for influence among North Yemeni Ba'thists was a major spur to Iraqi efforts at that time. []

Iraq has preserved its ties to North Yemeni Ba'thists since the Iran-Iraq war began. []

[] President Salih sent troops to fight for Iraq partly to strengthen his support among a growing number of pro-Ba'thist middle-ranking officers. [] several senior North Yemeni civilian officials are pro-Iraqi Ba'thists. []

[] the Iraqi Ba'th organization in North Yemen has grown recently. [] many of the new members are deserters from the South Yemeni-backed National Democratic Front. []

Iraq almost certainly will step up its support for Ba'thists in North Yemen after the war. At a minimum, Iraq will want to ensure that it can thwart Syrian efforts to build influence among North Yemeni Ba'thists. The presence of North Yemeni troops in Iraq, moreover, provides an opportunity for Ba'thist indoctrination that the Iraqis are likely to find irresistible. Baghdad has over the past several years proselytized Sudanese troops sent to Iraq. The rustic Yemeni soldiers are poor targets for Ba'thist propaganda, but better educated elements in Sanaa's military leadership are likely to be more receptive. []

Iraq also will exploit its ties to North Yemen to undercut South Yemen. Baghdad has long provided financial support to South Yemeni opposition groups and wants Sanaa to allow South Yemeni exiles to conduct operations against Aden from North Yemeni territory. []

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Proximity Talks on Afghanistan: Pakistan's Objectives

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The government of President Zia ul-Haq probably has been testing the intentions of the new Soviet leadership in the recently concluded fifth round of talks on Afghanistan, but it shows no sign of weakening its demand that the Soviets set a firm timetable for the withdrawal of their forces. Pakistan's domestic and international situation, however, is in a period of flux, and Islamabad could seek a compromise with Moscow should it feel abandoned by its allies, the Afghan resistance collapse, or a neutralist-minded government take over.

The View From Islamabad

The present regime in Islamabad believes that a Soviet-occupied Afghanistan permanently threatens Pakistan's future. Zia and most of his senior generals fear Moscow eventually will exploit both its military supremacy and Pakistan's deep ethnic divisions to gain leverage over Islamabad. The current rulers worry most about a breakup of Pakistan along ethnic lines, but we believe they also do not want to become a hostage state, beholden to Moscow on foreign policy matters and forced into a web of trade and transit obligations that give the Soviets access to the Arabian Sea or India.

Pakistan under Zia has consistently backed the Afghan resistance, permitting it sufficient support to prevent the Soviets from consolidating their hold on Afghanistan, but not enough to expose Pakistan to major Soviet reprisals. It has used the Soviet occupation of Afghanistan to quiet domestic opposition, strengthen security relations with key supporters such as Saudi Arabia, China, and the United States, and gain widespread diplomatic support in the Islamic Conference, the United Nations, and the Nonaligned Movement. The massive Afghan refugee problem, though unavoidable, is considered an acceptable cost, and the cross-border attacks by Soviet and Afghan forces, while worrisome, have not threatened vital Pakistani interests.

According to our analysis, Pakistan has two objectives in any Afghan settlement: to permanently reduce Afghanistan as a base for Soviet military power and to gain the repatriation of the more than 3 million Afghan refugees on its soil. Islamabad knows these two objectives are closely linked. The Afghan refugees will not return until Soviet troops begin to leave. Any settlement, therefore, requires a cease-fire honored by both sides and a Soviet pullback from specific areas before refugees return. Pakistan wants a rapid Soviet withdrawal over six months to reduce the number of incidents and reassure the Afghans that Soviet airmobile troops will not strike as they return to their villages. Some experts believe Islamabad reluctantly would go along with a two-year withdrawal timetable, the retention of a Soviet "training contingent" to protect Soviet installations in Kabul, and an international force to police the cease-fire and monitor the withdrawal.

Islamabad openly accepts the reality that any government in Kabul must be neutral and amenable to Soviet strategic concerns. It would share an interest in seeing that the transition to a post-Babrak regime is as smooth as possible and will work to limit fighting between resistance groups while Soviet troops remain in the country.

The Pakistanis hope that any new government will be friendly and not raise the Pashtunistan issue. Just in case, however, it will insist that guarantees of noninterference across the Pakistani-Afghan border be reciprocal, thus gaining a measure of recognition for the Durand Line in Kabul and Moscow. The long residence of Afghan tribal and political leaders in Pakistan has given Pakistani officials extensive access to a post-Soviet generation of leaders. The Pakistanis probably will mount a long-term program using Islamic, tribal, economic, and personal ties to extend their influence into areas long closed to them.

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Islamabad agrees with the United States that the Soviets are using the UN-sponsored proximity talks on Afghanistan to gain time while consolidating their hold on Afghanistan, divert attention from their role in the crisis, gain at least tacit recognition for the Babrak Karmal regime, and eventually draw Pakistan into direct negotiations. Pakistani negotiators probably would agree that the talks have benefited the Soviets by conveying the impression that serious negotiations between Pakistan and a seemingly independent Afghanistan are under way. The talks also enable Moscow and Kabul, as well as Islamabad, to argue before world public opinion that they are seeking a peaceful solution.

Gains for Pakistan

For its part, Pakistan also gains significantly from the negotiations. The process:

- Enables Pakistan to deflect Soviet frustration over the conflict and makes it more difficult for Moscow to mount major reprisals while Pakistan appears open to a negotiated settlement.
- Provides a means to keep the issue before world public opinion that also enhances the legitimacy of Pakistan's position and highlights the Soviet military occupation of Afghanistan as the key sticking point.
- Keeps a channel open through which Islamabad can test Soviet intentions.
- Reassures domestic elites who believe Zia has unnecessarily exposed Pakistan to Soviet pressures and identified the country too closely with US interests.
- Enhances Islamabad's leverage with its allies by periodically reconfirming Pakistan's critical role in keeping the Soviets under pressure in Afghanistan.

Pakistan so far appears to have held firm in the latest round of talks. There are no indications it has retreated from its insistence that Moscow set a firm timetable for its troop withdrawal before international guarantees and pledges of noninterference can be completed. According to press reports, the Pakistanis

also have refused Soviet/Afghan efforts at the most recent round to turn the proximity talks into bilateral negotiations, citing resolutions of the Islamic Conference forbidding bilateral negotiations as long as Soviet troops remain in Afghanistan. Islamabad has worked to ensure that the settlement includes a pledge of noninterference in Pakistan's internal affairs, thereby gaining de facto Soviet/Afghan recognition of the disputed Pakistani-Afghan border.

Implications of Changing International Relationships

Islamabad undoubtedly is carefully watching the current diplomatic initiatives between the United States and India and between China and the Soviet Union, either or both of which could affect its resolve on Afghanistan. Although there is considerable paranoia where India is concerned, we believe the Pakistanis may not automatically assume that either initiative will have negative implications for them. Zia and his Foreign Minister, Sahabzada Yaqub Khan, are sufficiently shrewd to look for opportunities as well as constraints in these possible new relationships.

The United States is critically important to Islamabad, not simply for its substantial economic and military assistance, but because of its long security relationship with Pakistan. Although Pakistani leaders are skeptical about the durability of US commitments and doubt that Washington has either the will or the capability to protect them against a Soviet thrust into South Asia, they believe the US-Pakistan security connection should give pause to Soviet planners contemplating a major strike against Pakistan.

Some Pakistanis have long worried that the United States and Soviet Union will come to an understanding on Afghanistan, possibly as part of an arms control deal, and leave them holding the bag. The Zia regime probably is confident that this would not happen under the current administration, but Pakistanis will nevertheless be watching carefully for indications of US resolve on Afghanistan at the coming summit talks. Any perception in Islamabad that the United States wishes to remove Afghanistan as a key agenda item and is reevaluating its

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commitment to Pakistan would undermine Pakistan's confidence and could lead it to compromise on Soviet troop levels in Afghanistan.

From the Pakistani perspective, better US-Indian relations need not be harmful and could help, provided they are founded on a new appreciation in New Delhi of the danger posed to the subcontinent by the Soviet occupation of Afghanistan and lead to a significant cooling in New Delhi's ties to Moscow. Islamabad will go along with the US initiative if it aims at these objectives, at encouraging India to press the Soviets to withdraw from Afghanistan, and at improving the atmosphere for Indian-Pakistani negotiations. Since 1982, Pakistan has been pressing its own initiative to improve the climate between Islamabad and New Delhi. This has been aimed at reducing pressure on its eastern border while it faces the Soviet threat in the west, and at forestalling any thought in New Delhi of cooperating with Moscow against Pakistan.

If, however, the United States substantially reduces its commitment to Pakistan as a way of courting India, we believe Islamabad will again feel betrayed. It will oppose improved Indian-US ties both directly and through the Saudis and the Chinese. It will feel extremely exposed to Soviet pressures on Afghanistan, and it probably will intensify its crash program to develop nuclear weapons. If it survived such a turn of events, the Zia government probably would consider testing a nuclear device to restore its credibility at home and demonstrate a capability to protect Pakistan's vital interests. Islamabad probably will regard US attitudes in the forthcoming preliminary negotiations on a follow-on economic-military aid package as a key test of US intentions.

Pakistan has long regarded China as a key ally in countering both Indian and Soviet pressures. Islamabad trusts China more because the geopolitical positions of both countries make them natural allies and because Beijing's diplomacy is less susceptible to special interest pressures. The Pakistanis highly value Beijing's constancy and probably believe China is better than the United States at pursuing apparently conflicting policies. Islamabad probably does not initiate any major diplomatic moves that would affect

its relations with the United States, the Soviet Union, or India without at least consulting with Beijing. The latter, for example, strongly endorsed Islamabad's effort to improve relations with India, undoubtedly agreeing that any diminution of Soviet influence in the region would be a positive development.

Any perception in Islamabad that the Chinese were substantially reducing their support for Pakistan, particularly on Afghanistan, very likely would have major psychological and diplomatic repercussions and probably would lead to a complete reevaluation by Pakistan of its policies and options. Without China, Pakistan would be much more susceptible to Soviet and Indian pressures and probably would soon adopt a more flexible position on Afghanistan. Islamabad undoubtedly has sought reassurances from China on the latter's talks with the Soviets, and a recent strong Chinese restatement on Afghanistan may have been an attempt to quiet Pakistani fears. Pakistani leaders probably would regard the extent and level of consultations with China and the levels of bilateral military assistance and of weapons supplies to the Afghan resistance as key indicators of China's intentions.

Implications of Domestic Change

Pakistan currently is undergoing a carefully controlled process of internal political change that could bring to the fore leaders who want a more flexible policy on Afghanistan. There has long been a substantial body of opinion in the Ministry of Foreign Affairs, the universities, among intellectuals, and to a lesser extent the military that believes President Zia's policy on Afghanistan has unnecessarily exposed Pakistan to Soviet pressures and burdened the country with a refugee problem that is expensive, intractable, and ultimately dangerous. This view holds that, even if the United States could be trusted, Pakistan has neither the resources nor the internal political solidity to play the role of a "frontline state." Rather than becoming involved in superpower conflicts, this view supports the idea of a neutral Pakistan that can function as a buffer state and devote more of its attention and resources to its own political and economic development.

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This view could gain ground in Pakistani councils as new civilian leaders give voice to the widespread unease among educated Pakistanis over the country's policy on Afghanistan. The issue is emerging more frequently in National Assembly debates, pressed both by government supporters and an emerging opposition group. In our view, however, as long as Zia—and behind him the senior Army leadership—retains control over the process of civilianization, and implicitly over the formation of national security policy, this kind of political pressure alone probably will not lead to substantial changes in Pakistan's position on Afghanistan.

On the other hand, should Zia and the senior generals lose control of the transition process and a mass opposition movement led by the Pakistan People's Party (PPP) emerge to demand more rapid and thorough civilianization, we believe the country's Afghanistan policy would change, although probably not until a successor military regime to Zia gave way through free elections to a PPP government. The People's Party maintains it would deal directly with the present regime in Kabul and find a way to send the more than 3 million Afghan refugees in Pakistan back across the border.

Even a PPP government, however, would face major constraints in seeking a deal with the Soviets. In our view, a civilian government that ignored the military's interests and policy preferences could find itself replaced by another general. Further, no government in Pakistan can afford to alienate such key allies as the Saudis or the Chinese, who undoubtedly would disapprove of any settlement that gave Moscow too much in Afghanistan. Nor is the refugee problem an easy one to solve, given the fact that among the refugees are large groups of armed, battle-hardened guerrillas who would desperately oppose a mass return to Afghanistan except on their own terms. Pakistan might try to split the various armed groups, but here again difficulties arise from the fact that the strongest and best armed of the resistance groups are also the most Islamic and the most opposed to a compromise.

Alternative Scenario

Some experts believe that a growing sense of international isolation coupled with a strong public

demand that something must be done about the Afghan refugees is driving Islamabad to a settlement on Afghanistan on Moscow's terms. This view holds that stepped-up Soviet military pressure on the border, growing military tensions with India in Kashmir, and a perception that Pakistan's key allies are pursuing initiatives that could pull the rug from under its positions have led to a reassessment of Islamabad's Afghan policy. In addition, according to this analysis, President Zia is losing ground politically in Pakistan and will need to compromise with politicians who favor a quick settlement with Moscow.

Should this scenario be the case, Islamabad will have to turn against the Afghan resistance, closing camps along the border and interrupting the flow of weapons to the Afghan insurgents. The Pakistanis know they cannot entirely halt the resistance, but their actions could reduce it to a level manageable by the Soviets. Such actions would require a broad public consensus inside Pakistan and a willingness to use Pakistan's armed forces against the Afghan resistance.

Outlook

We do not expect the negotiating process to be over any time soon. According to press reports, the proximity talks have reached agreement on the basic principles of a settlement, but they await a specific timetable from the Soviet Union for the withdrawal of its forces. Moscow is demanding prior guarantees of noninterference and may announce a long departure period (three to five years) to begin only after an effective cease-fire. In addition, further talks will be required to implement any settlement, an extraordinarily complex and potentially divisive process.

In time we believe there will be a settlement on Afghanistan. In our view, the form it will take depends more on Moscow than on Islamabad. For now, Pakistan apparently believes its interests can best be preserved by supporting a healthy resistance inside Afghanistan and holding out for a settlement acceptable to most of the exiled Afghan leadership, to its own Islamic constituency, and to its most important outside supporters.

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Although we believe Islamabad might compromise on some of the details of a settlement, such as on the length of a Soviet withdrawal and the retention of a Soviet training contingent, we do not foresee an outright collapse of Pakistani resolve. The domestic and international consequences would be too severe, even for a post-Zia civilian regime.



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Growing Risks for Western Travelers in Afghanistan

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Although Western journalists and medical personnel have operated relatively easily inside Afghanistan in the past, better Soviet intelligence and more frequent military operations are increasing the risks. The recent death of a US journalist during an apparent Soviet attack underscores these dangers.

Soviet Attitudes Toward Westerners

We believe the Soviets place a high priority on preventing Westerners from visiting or working inside Afghanistan without the Afghan Government's permission. Soviet commanders sent an airborne unit to capture French journalist Jacques Abouchar in 1984 and apparently assigned a unit to capture French doctor Philippe Augoyard during a major military operation in Paktia Province in 1983.

Both men were subsequently released after a relatively short incarceration and regime-staged show trials.

The Soviets oppose the presence of Westerners, including doctors and journalists, because credible eyewitness reports often contradict Soviet and Afghan claims that the war is being won and that the insurgency has no local support. By capturing Western infiltrators, the Soviets probably also hope to reinforce their charges in the international media of massive outside support for the insurgents.

Despite the hostile Soviet attitude, Westerners have operated relatively easily inside Afghanistan. Since 1980 the Soviets has captured only one of the approximately 300 European doctors who have worked clandestinely in Afghanistan and only one of the many Western journalists and scholars who have traveled there. Soviet and Afghan attacks caused the death of only one journalist—in October 1985. Another was killed, probably inadvertently, during a Soviet or Afghan bombing attack in 1982.

Increasing Dangers

Nevertheless, many observers believe, and we agree, that the dangers are increasing for Westerners inside

Afghanistan. The director of Medecins Sans Frontieres, a private French voluntary agency providing medical care inside Afghanistan, says that Soviet intelligence began to improve in 1984 and that the Soviets, using local informers and reconnaissance aircraft, can often quickly locate French clinics. (In one incident in 1981, Soviet aircraft destroyed a French clinic, although its red cross was clearly visible from the air.)

Western physicians must move their clinics more frequently because of better Soviet intelligence. a US-staffed clinic was not wanted in the valley because it would invite Soviet attacks.

movement inside Afghanistan has become more dangerous because the Soviets are bombing the main infiltration routes more frequently. The large number of Soviet and Afghan air violations of Pakistan—190 so far this year—reflects more aggressive military operations near the border.

We believe Westerners entering southern Afghanistan from Pakistan face particular danger because of the area's flat terrain. The Soviets captured Abouchar during his first day in southern Afghanistan, and the US journalist was killed near Qandahar City. Abouchar says the Soviets captured him easily because he could not find any hills in which to hide. In contrast, Augoyard was captured in Paktia Province—in southeastern Afghanistan—after spending several months there.

In the most recent incident, on the night of 19 September as many as four helicopters attacked a truck 12 kilometers north of Qandahar City that was carrying four Americans and about 12 insurgents, killing newsman Charles Thornton and probably

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wounding another American. The helicopters left soon after the attack, allowing the survivors to escape and bury Thornton's body. Two of the Americans decided to continue their travels in Afghanistan, and one returned to Pakistan. Arrangements are being made for the removal of Thornton's body, according to a US member of his party. [REDACTED]

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Outlook

We believe that the Soviets will continue to improve their intelligence capabilities against Western travelers. Stepped-up Soviet sweeps along insurgent infiltration routes from Pakistan suggest that Western travelers will inevitably be affected. We believe that the Soviets view Westerners traveling with insurgent bands as fair game and make a special effort to attack or capture them if they become aware of their presence. [REDACTED]

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Afghanistan: Soviet Aggressiveness and Regime Ineptitude []

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We believe that large Soviet operations in Afghanistan between June and October were prompted primarily by Soviet efforts to compensate for the inability of regime forces to maintain even a facade of control rather than by a Soviet effort to dramatically escalate the war. Fighting this summer and fall has been intense, with the insurgents gaining against the Afghan military in several areas. []

Reaction to Regime Failings

The Soviet summer campaign was designed largely to relieve Afghan regime garrisons that were in danger of falling to the insurgents:

- Insurgents had besieged the Afghan Army's garrison at Barikowt for almost a year, overrun several smaller posts in the area, and prevented the regime from resupplying its troops. The Afghan military conducted several operations in early spring to free their positions, but their efforts failed dismally.
- Improved cooperation among insurgent groups in Helmand Province increased their ability to successfully attack regime posts and enabled them to pose a serious threat to the regime's hold on the Kajaki Dam.
- Fighting between insurgent and regime forces intensified this spring in the Panjsher Valley, and, [] all of the static positions of the Afghan 444th Commando Brigade—the Afghan unit assigned to the Panjsher—were besieged to some extent by June. Insurgent ambushes prevented the regime from reinforcing its units, and guerrilla antiaircraft fire hindered Afghan Air Force efforts to provide support. []
[] One of its greatest defeats of the war occurred in mid-June when its garrison at Peshghowr was overrun by insurgents.

- [] regime control of Herat—already poor—slipped even more this past spring and summer. A Soviet and Afghan sweep in May failed, and officials in the Ministry of Defense believed the situation was out of government control. In August, [] insurgent leader Ismail Khan's forces had turned down the offer of a truce and controlled most of the city.

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- Despite large operations in Paktia Province late last fall and early this year, regime forces have been unable to improve their chronically poor showing there. The government's garrison at Khowst apparently was again in danger of falling in August. A large Soviet operation in the Ali Khel area, and assistance to regime forces around Khowst, may temporarily relieve Afghan garrisons, but the insurgents, as they have in the Panjsher and Konar Valleys, probably will resume attacking posts after the Soviets leave. []

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Soviet Activity

The Soviets launched large operations during the summer and early this fall in the Konar, Panjsher, and Helmand Valleys and in Herat and Paktia Provinces to maintain regime positions. As such, the efforts, though probably planned well in advance of actual combat, were more reactive than preemptive and, we believe, do not signal a substantial change in Soviet strategy in Afghanistan. Because their objectives were limited and short term, the Soviets probably believed their summer operations produced satisfactory results. In none of the large operations did the Soviets leave substantial numbers of troops behind to maintain control of the areas and thus preempt or suppress new insurgent activity. []

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The Soviets appeared to focus on reducing resistance pressure in the areas of operation by killing as many insurgents as possible, capturing arms depots, and closing resistance escape routes. Another goal also may have been to train and observe the performance of their troops using new weapons and ordnance in combat. Although they devoted an unusually large amount of air and artillery assets to the fighting, in general the Soviets continued to use stereotyped tactics. []

An Unreliable Ally

We believe the Soviets will have to carry an even heavier burden of the fighting over the coming months. Despite Moscow's hopes, the Afghan military is becoming an even more unreliable ally than during the first few years of the war. []

[] Soviet and Afghan troops fought each other during the Helmand Valley offensive after the Soviets assaulted some civilians in the area.

[] fears for their personal safety caused the Soviets to announce in March that all Afghans visiting Soviet advisers must be disarmed.

The regime, despite prodigious efforts, remains unable to build its forces. [] desertions and defections in recent months have caused a decline in the military's already low manpower. []

[] in May the urgent need for additional forces prompted the regime to broaden the category of young men required to serve in the military, effectively drafting all high school graduates in Afghanistan, though few high schools function outside Kabul. US Embassy sources in Kabul reported in July, however, that the regime continued to face serious manpower shortages, especially in the Panjsher Valley, as a result of heavy casualties and desertions. []

Implications for the Soviets

If the Soviets intend to keep the insurgents from taking the initiative in the war, they will have to launch many more preemptive as well as reactive operations, switching from a defensive to an offensive

role. Moscow might also consider augmenting the number of its forces in country and adding to its logistic infrastructure. In addition, the Soviets will need to improve their chronically poor intelligence, rigid command and control, and the health and morale of their troops. []

We doubt that the Soviets, who are willing to commit only limited resources to Afghanistan, will make quick changes in the way they are conducting the war. So far they have done little more than increase security in areas where they anticipate strong resistance or which they consider too valuable to lose to the insurgents. []

Implications for the Insurgents

Over the coming months, guerrilla attacks against Afghan units and vulnerable regime garrisons will continue to yield more tangible results—casualties and captured arms—than assaults on Soviet forces. Because regime troops often sympathize with the resistance and are poorly trained and motivated, they are less likely than Soviet soldiers to try to hold posts under adverse conditions. Afghan forces also are more likely than Soviet troops to abandon their arms or defect with their weapons to the insurgents. []

Outlook

Successful resistance attacks against Afghan military posts will continue to thwart Soviet objectives in several significant ways:

- They will provide propaganda gains for the resistance, clearly demonstrating that the Afghan military is incapable of assuming a major combat role.
- The Soviets will have to replace losses of Afghan vehicles and equipment to the insurgents.
- Heavy resistance pressure on regime forces will prompt the Soviets to come to the Afghans' assistance, putting Moscow in the position to react rather than take the initiative in the war. []

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The Afghan Air Force: Moscow's Unreliable Ally

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The Afghan Air Force remains an unreliable Soviet ally that suffers from both a lack of will and internal unrest. These problems are largely caused by improved insurgent military performance, Soviet domination, Muslim sympathy for the insurgents, and feuding between the two factions of the Afghan ruling party. Although the Air Force's unreliability has limited its participation in the war, the Soviets believe the Air Force can play an important role over the longer term. Because prospects for improved performance are poor, however, we expect the Soviets will continue to assume the lion's share of the air war.

Reliability Problems

The Afghan Air Force suffers from a lack of will, sabotage, and defections. Soviet advisers often fly with Afghan fighter pilots to prevent them from jettisoning their bombs before they reach insurgent targets. pilots try to avoid closely approaching heavily armed insurgent bands even when Soviet advisers are present.

Saboteurs are active in the Air Force.

Air Force saboteurs destroyed two MIG-17s at an airfield in Mazar-e Sharif in September. Air Force officers blew up 21 Afghan planes at Shindand Airbase in June 1985, nearly succeeded in carrying out a similar action at Bagram Airbase, and tried twice to sabotage the aircraft of General Abdul Fatah, the second in command of the Air Force. the Afghan secret police executed four Air Force personnel in 1983 for removing bomb fuses.

Defections also plague the Air Force. Air Force pilots and crews defected to Pakistan with two MI-25 helicopters in 1985, and pilots defected with an AN-26 transport plane in 1984, an SU-22 fighter in 1983, and an MI-8 helicopter in 1981.

Reasons for Poor Performance

We believe that improved insurgent military performance, Soviet domination, sympathy for the insurgents, and rivalry between the Afghan ruling party's two factions largely explain the Air Force's unreliability. Afghan pilots are reluctant to close in on insurgent bases because insurgents have more heavy machineguns and SA-7 anti-aircraft missiles than they have had in the past. the insurgents also have learned to fire at the upper surfaces of helicopters, which are less heavily armored than the lower surfaces.

Soviet domination of the Afghan Air Force has also caused widespread resentment among Afghan airmen. only a third of the pilots are pro-Soviet. Soviet advisers must approve all Air Force operations, and the Soviets control operations unilaterally in the northern provinces. The advisers choose all bombing targets and brief Afghan pilots only an hour before bombing missions, giving only the takeoff time, target coordinates, and a sketchy description of the target. They never allow Afghan pilots to attack targets of opportunity.

We believe that sympathy for the insurgents contributes to the Air Force's unreliability. Many support personnel who do not face insurgents in combat probably sympathize with the guerrillas, and even Air Force pilots are generally apolitical, in our view. Soviet mechanics closely monitor Afghan mechanics and never allow them to work on Soviet aircraft.

Political infighting between the Khalq and Parcham factions of the ruling party also promotes poor morale. each faction blamed the other for the Shindand incident. Soviet advisers

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Afghan Air Force Order of Battle

main Afghan airbases: Kabul, Bagram, Qandahar, Shindand, Mazar-e Sharif, and Herat. Most helicopters are based at Kabul, but most fighter-bombers are based at Bagram—reflecting the relatively greater strategic importance of eastern Afghanistan. The Air Force is commanded by Major General Abdul Qadr, an engineer who has been a member of the People's Democratic Party of Afghanistan since its inception 20 years ago.

Helicopters

| | |
|-------|----|
| MI-8 | 76 |
| MI-25 | 20 |

Fighter-bombers

| | |
|-----------|----|
| MIG-21 | 62 |
| MIG-15/17 | 58 |
| SU-7 | 20 |
| SU-22 | 10 |
| IL-28 | 14 |

Transports

| | |
|-------|----|
| AN-26 | 34 |
|-------|----|

Trainers

| | |
|------|----|
| L-39 | 19 |
|------|----|

| | |
|--------------|------------|
| Total | 313 |
|--------------|------------|

have also criticized the two factions for their lack of cooperation and periodic clashes. We believe these tensions are worsened by the imbalance between the Parchami-dominated Air Force high command and the rank and file, where Khalqis outnumber Parchamis by two to one.

Implications

The Afghan Air Force's unreliability impedes the Soviet war effort, in our view. The lack of reliable pilots largely explains, for example, why the number of Afghan aircraft has increased only by about 20 percent since 1979. the Air Force never participates in combat operations involving Soviet troops or combined Soviet-Afghan Army operations because Soviet officials consider Afghan pilots unreliable and are afraid they might bomb Soviet troops.

Despite these problems, Moscow apparently still hopes the Air Force can play an important role in the war over the longer term. the Soviets are continuing their relatively large training program for Afghan pilots. They know a more loyal Afghan Air Force would ease the burden on their own Air Force. the Soviets are replacing Afghan air losses relatively quickly; the aircraft destroyed at Shindand Airbase in June were replaced shortly after the incident. Because substantial improvements in Afghan Air Force performance are unlikely any time soon, however, we believe the Soviets will continue to bear the brunt of the air war.

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India: Naval Power and Regional Dominance

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New Delhi has made controlling the Indian Ocean a central if long-term goal of its regional strategy. India already has the largest fleet of the littoral states and is continuing its naval buildup. This force gives India a relative advantage over Pakistan, its most likely opponent in a future naval conflict. The Indians have neither sufficient naval assets nor prowess to deny US or Soviet access to the Indian Ocean, but a determined effort on their part could hinder superpower naval movement, particularly near the Indian coast.

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Indian Naval Modernization and Expansion

The Indian Navy's principal offensive power lies in a World War II-era aircraft carrier acquired from the United Kingdom; some 1950s- and 1960s-vintage Soviet-built destroyers, frigates, missile boats, and submarines; and a few frigates indigenously produced over the past 13 years from British designs. Most of the surface ships carry surface-to-surface and/or surface-to-air missiles.

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India's aircraft carrier, the Vikrant, underwent an extensive overhaul in 1981 and has recently been fitted with a new "ski jump" flight deck. Although the refurbishing has increased its fighting capabilities, the Vikrant is over 40 years old and suffers from chronic maintenance problems that frequently keep it in drydock. Because the Vikrant is stationed with the Western Naval Command in the Arabian Sea, the Eastern Naval Command is short handed in covering the Bay of Bengal.

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The Indian Government recently completed a deal to purchase another 1940s-vintage aircraft carrier, the Hermes, from the United Kingdom. This addition will help India keep at least one carrier operational at all times and allow it to station an aircraft carrier with each of the two major naval commands. The Hermes will undergo a thorough refitting before its delivery to India in three years, but, like the Vikrant, it is fast approaching the end of its operational life. The Indian

Navy hopes to replace both ships with indigenously produced aircraft carriers sometime in the 1990s.

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The carrier force's striking power is provided by eight Sea Harrier V/STOL jets assigned to the Vikrant. This fighter-bomber force was increased by the purchase of 11 additional Harriers to provide a squadron for the Hermes when it arrives. The new Harrier purchase includes 26 more Sea Eagle missiles, bringing the fleet's arsenal of this effective antiship weapon to 46. In combat, the Harriers will probably be reinforced by the Indian Air Force's two land-based Jaguar squadrons (39 aircraft), which are capable of assuming naval air warfare missions, as

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The Indian Navy is also improving the rest of its surface warfare force. All three of the fleet's destroyers are modified Soviet-built Kashin-class guided-missile destroyers. A fourth has recently been launched at the Black Sea Nikolayev shipyards, where a fifth is under construction. The Indians are fitting out the second of three indigenously designed Godavari-class guided-missile frigates, essentially stretched versions of their six Leander-class frigates built under license from the United Kingdom. They have also modernized their two British-built Whitby-class frigates by installing missile launchers removed from two Soviet-built Osa-class attack boats and building a helicopter flight deck on one. The Navy also has three Nanuchka-class guided-missile patrol boats and 13 Osa-class guided-missile attack boats, all purchased from the Soviets, which significantly enhance its antiship capabilities. []

Because of maintenance problems with their eight Soviet-built Foxtrot submarines (now about 20 years old), the Indians plan to purchase more submarines from the USSR and four to six Type 1500 submarines from West Germany. The first two of the Type 1500 submarines will be built in West Germany; the remainder will be assembled in India with West German assistance. []

India's surface warships, except for the patrol and attack boats, provide the Navy with most of its antisubmarine warfare capability. They are complemented by 10 Soviet-built Petya-class frigates, which the Indians hope to replace soon with newer Koni-class frigates. Three old British-built Leopard-class frigates in the training squadron could also be deployed in antisubmarine warfare. []

The most effective antisubmarine assets are the Indian Navy air arm's one fixed-wing and five helicopter antisubmarine squadrons, assisted by the three maritime reconnaissance squadrons. Soviet Bear F aircraft, on order and scheduled to begin arriving by 1986, will enhance the Indian Navy's maritime reconnaissance and antisubmarine abilities. In addition to these aircraft, the Kashins, Leanders, and one of the Whitbys carry one helicopter each; the Godivari, two. []

addition to these aircraft, the Kashins, Leanders, and one of the Whitbys carry one helicopter each; the Godivari, two. []

The Indian fleet is looking to expand its amphibious and mine countermeasures capabilities. The recent acquisition of the eighth of 12 planned Polish-built Polnocny-class landing ships, along with five indigenously produced craft, brings India's lift capacity to approximately 2,000 troops in a single amphibious operation. The fleet is replacing its outdated ex-British minesweepers with Soviet-built Natya- and Yevgenya-class minesweepers, giving it a total of 15 mine warfare craft. India may also buy modern mine countermeasures ships from West European countries. []

The Indians are increasing construction of naval facilities. The Navy is expanding its base at Cochin so that the Southern Naval Command can assume more than its present training role when it begins to acquire more ships. Docks and airfields at Port Blair in the Andaman Islands, strategically located near the Indian Ocean's eastern approaches, are also being improved. []

New Delhi envisions a wider role for its fleet in regional affairs. Because of its comprehensive annual training cycle, the Indian Navy usually has a task force undergoing sea exercises monthly. The fleet also conducts port calls regularly in the Indian Ocean, helping to maintain regional ties. So far this year a five-ship squadron has visited Malaysia, Singapore, Thailand, Indonesia, and Brunei; a two-ship force called at Djibouti, Oman, and Ethiopia; and another two-ship force cruised to Madagascar and Mauritius. []

[] New Delhi may be interested in leasing the Crozet Islands, about 1,600 nautical miles south of Mauritius, from France. Though this tiny archipelago is too underdeveloped and remote to serve any practical military purpose, such a lease would give the Indians a support facility for their Antarctic expeditions and the chance to establish a presence at the Indian Ocean's southwest approaches. []

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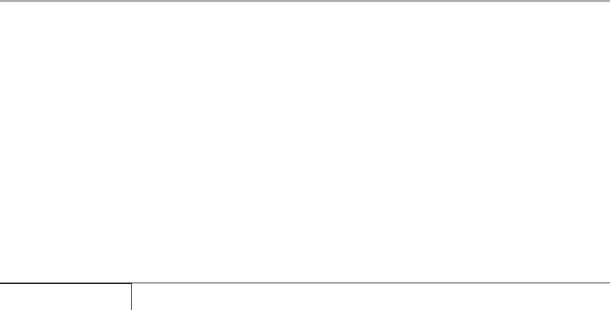
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Weaknesses and Threats

The Indian Navy still suffers from major handicaps. Equipment weaknesses, such as insufficient antiair assets, lack of modern secure voice communications, few modern port facilities, and the more general and pervasive problems of foreign dependency and relatively low technical capabilities may diminish as India's acquisition and construction programs expand and its scientific and technical expertise increases. Weaknesses in other areas, such as personnel, tactics, and intelligence, however, will remain serious for the foreseeable future. []

The Navy has a severe personnel shortage, perhaps as high as 25 percent. The other armed services and private industry compete in drawing on the national manpower pool, especially among those people with the education and training necessary for the fleet's increasingly sophisticated needs. As a result, India's naval expansion programs are likely to continue to outpace its manning capabilities. []

Moreover, India's policy against joint training exercises and information sharing with other countries' navies greatly hinders two critical areas of naval operations—tactics and intelligence. Western observers characterize Indian naval tactics and doctrine as about 20 years behind most modern standards and Indian naval intelligence as severely hampered by inaccurate information, prejudice, and suspicion. The fleet still relies on grease-pencil boards and sound phones for acquiring and engaging targets.



Given the hostility in the two countries' relations, the Pakistani Navy poses a serious threat to New Delhi's fleet and requires the Indians to keep their Arabian Sea flotilla strong at the expense of other commands. The Pakistani Navy's six French-built submarines, eight Chinese-built guided-missile patrol boats, and

six Sea King helicopters capable of carrying Exocet missiles, augmented by the Pakistani Air Force's Exocet-equipped Mirage V aircraft, present a credible threat to the Indian fleet. Bottling the Pakistanis up in Karachi or seizing the port in an amphibious assault—likely Indian wartime goals—would require nearly all of India's naval assets. []

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Still, the Pakistani Navy's severe weaknesses would put it at a great disadvantage in certain scenarios. If the Indians struck first and mined Karachi's harbor, the Pakistani fleet's lack of mine countermeasure assets would be a critical handicap. If neither side achieved initial surprise, the Pakistani Navy's relative inferiorities in numbers and capabilities would hamper it severely. But, if the Pakistanis could deploy undetected, they could either try a bold strike at an unprepared Indian fleet, where their submarines, missile attack boats, and Exocets could cause considerable damage, or send their Navy west, either to their smaller port at Gwadar or even to cooperating Arab countries close by, to keep it intact to harass the Indians with small, quick strikes. []

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Indian naval planners would also have to consider the possibility that another Indo-Pakistani war could draw in other regional powers on Pakistan's side. Pakistan has close military, including naval, ties with Saudi Arabia. Substantial numbers of Saudi officer candidates train in Pakistan, comprising up to 25 percent of recent Pakistani naval academy classes. Saudi naval forces conducted their first major exercise with the Pakistani Navy off Karachi last March. Although we have no evidence that suggests planning for such a contingency, this relationship could conceivably be extended into some degree of wartime cooperation—most likely providing haven for a withdrawing Pakistani fleet. India closely monitors Pakistani military cooperation with its Muslim neighbors. []

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Moreover, the Indians have not forgotten the dispatch of the USS Enterprise into the Bay of Bengal during the 1971 Indo-Pakistan war—interference that the Indian Navy was powerless to counter. New Delhi is still receptive to rumors of US-Pakistani military cooperation, particularly joint naval exercises and US

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***An Indian Attack on Diego Garcia?
Unlikely and Unfruitful***

We have no information suggesting Indian military contingency plans for an attack on Diego Garcia, some 1,000 nautical miles south of India. Any such operation would have to be mounted as a preemptive strike using antiship missiles—probably missile attack boats, carrier-based aircraft, and possibly, but not necessarily, some ships to protect the carrier. If New Delhi should want to seize and occupy the island, nearly all of its Navy would be needed. This would include all major combatants—to attack the defending naval force—as well as a sizable portion of its amphibious lift capability. The Indian Army has dedicated a mechanized infantry brigade to amphibious operations and rotates its subunits annually for training with the Navy. The fleet's amphibious force can currently lift most of this brigade, which would provide the combined-arms landing force that a full-scale assault would require.

[REDACTED]

basing rights in Karachi. Although New Delhi knows it cannot prevent US naval access to the Indian Ocean or even to areas contiguous to the Indian coast, it undoubtedly calculates that a stronger Indian Navy would make the United States think harder about repeating the USS Enterprise deployment. The Indians are also aware that the Soviet naval presence in the Indian Ocean has increased since the 1971 war and that potential Soviet reaction to a future Indo-Pakistani conflict has become an important factor in US regional naval planning and operations. [REDACTED]

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Outlook

The Indian Navy will continue to increase in size and ability, providing New Delhi a valuable tool with which to pursue its regional strategy and goals in the Indian Ocean. Given its current expansion program, the fleet will be able to dominate any fleet of the littoral powers. It does not have nor is it likely to have the capability in the near future to challenge the US or Soviet Indian Ocean squadrons, although an increased Indian naval presence in the waters near India will make it more difficult for either superpower to conduct missions against New Delhi's wishes. For the foreseeable future, Indian naval growth faces significant hurdles, most importantly in manpower and technical capabilities, that will have to be overcome if the Navy is to become the "blue water" fleet its planners and leaders envision. [REDACTED]

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India's Role in Sri Lankan Party Politics

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India's four-month-old effort to broker a negotiated settlement between the Sri Lankan Government and Tamil separatists has drawn New Delhi into the heart of Sri Lankan party politics. Indian Prime Minister Rajiv Gandhi's personal intervention has strengthened Sri Lanka's ruling United National Party (UNP) at the expense of the Sri Lanka Freedom Party (SLFP), New Delhi's traditional ally. It has also eased pressures on President Jayewardene to hold a popular referendum, demanded by the SLFP, on the communal conflict. Although the Sri Lankan Government and the opposition have welcomed India's sponsorship of peace talks, both are cautious about granting New Delhi too strong a role in Sri Lankan affairs.

India and the Major Sri Lankan Parties

Indian involvement in negotiating an end to Sri Lanka's communal conflict is driven by foreign policy considerations. Increased fighting in Sri Lanka, a possible resurgence of separatism in Tamil-dominated south India, and the desire to repatriate more than 100,000 Sri Lankan refugees have led New Delhi to seek a negotiated settlement in Sri Lanka. Gandhi and Indian Foreign Secretary Bhandari are eager to promote India's good neighbor policy through a diplomatic success in Sri Lanka.

New Delhi's role has had the effect of changing the fortunes of Sri Lanka's major political parties. In pursuing peace in Sri Lanka, India has, out of necessity, forged a close working relationship with the ruling UNP. After more than eight years of cool relations with New Delhi, the UNP enjoys unprecedented access to the Indian leadership.

New Delhi's close cooperation with Jayewardene's UNP government reflects India's commitment to a political solution more than a desire to favor one party over another. With India's consent, the UNP has kept the talks largely secret; the opposition Sri Lanka Freedom Party was not formally represented at this

summer's negotiations in Bhutan. In addition, the SLFP has been excluded from current proximity talks in New Delhi.

India's new relationship with the UNP reverses a decade-old trend of strong ties between the SLFP and New Delhi. Indian Prime Minister Indira Gandhi and Sri Lankan Prime Minister Sirimavo Bandaranaike of the SLFP were personal friends and political allies throughout the early 1970s. Ties between India and Sri Lanka worsened after the election in 1977 of the UNP government of J. R. Jayewardene, with whom Indira Gandhi's relations were more distant.

Indo-Sri Lankan relations became further strained by Indira Gandhi's decision in 1983 to allow Tamil militants to operate from bases in south India. Rajiv Gandhi's crackdown on the militants and his bid for a settlement in Sri Lanka, however, have led to a marriage of convenience between New Delhi and the UNP.

The Effect on the UNP

One of the important side effects of the relationship between New Delhi and the UNP government is that leading UNP figures are beginning to find it more politically useful to play up the Indian connection. Jayewardene's decision to accept Indian mediation and, by so doing, to nurture his ties to New Delhi has undermined the opposition and strengthened his position within the UNP. In July, Sirimavo Bandaranaike publicly admitted that Jayewardene's growing ties to New Delhi served the interests of all Sri Lankans. By the same token, Jayewardene has used the talks to win the support of the two major factions within the UNP and to reassure the UNP-dominated upper echelons of the military that he is serious about improved ties with India.

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SLFP Political Fortunes

India's support for the UNP coincides with a decline of SLFP strength in Sri Lankan politics. The loss of Sirimavo Bandaranaike's civil rights in 1980 and the postponement of general elections until 1989 have left the SLFP with only nine seats in Sri Lanka's 168-member Parliament, despite having won 39 percent of the popular vote in the 1982 presidential election. Until 1989, when Sri Lanka expects to change to a system of proportional representation, party representation in Parliament will not reflect the popular vote.

National Security Minister Athulathmudali, considered a possible successor to Jayewardene, also appears determined to harness the communal issue and the UNP's Indian connection for his political advantage. He has publicly claimed credit for initiating the government's dialogue with Rajiv Gandhi during a visit in February to New Delhi. We believe Athulathmudali will continue to stress his role in improving Indo-Sri Lankan relations to enhance his political prestige both nationally and within the UNP.

A key factor that draws the UNP and New Delhi closer together on settling the communal conflict is the desire in both capitals to avoid a protracted domestic debate in Sri Lanka on granting autonomy to Tamils. Both are wary that the SLFP and Sinhalese hardliners in the Buddhist clergy might try to scuttle a negotiated settlement, particularly if it had to go before the electorate. Therefore, both have a stake in seeking a settlement that requires ratification only by the Sri Lankan Parliament. Moreover, New Delhi has the added incentive of avoiding a public debate that would permit Indian diplomacy and political prestige to become hostage to the details of a settlement.

SLFP Response

Despite its close working relationship with the UNP, New Delhi has been careful to keep open its lines to the SLFP. Although a scheduled meeting between

Sirimavo Bandaranaike and Rajiv Gandhi in July was canceled at the last minute, press reports suggest the SLFP has kept her and her son, the SLFP's leader in Parliament, informed of Indian contacts with both the militants and the UNP. This occasional contact with the SLFP suggests New Delhi recognizes that a political solution will require at least tacit approval from Sirimavo Bandaranaike and that too much partisan support of Jayewardene could block a successful settlement.

Despite its weak standing in Parliament and internal divisions, the SLFP remains a major force in Sri Lankan politics and appears prepared to try to use its influence among Sinhalese voters to block any settlement that threatens Sinhalese interests. The four-month-old cease-fire has helped deflate SLFP charges after the May guerrilla attack in Anuradhapura, in which 150 Sinhalese were killed, that the government was mishandling the communal issue. The formation in August by the SLFP, the Buddhist clergy, and a leftist splinter party of a National Front to take a hard line against a settlement has also had little impact on the government.

The UNP has been successful in defining the communal conflict as a problem of national security and arguing that SLFP partisanship on the Tamil question is divisive and aids the militants. So far, Jayewardene's combined military and political strategy has appeased most Sinhalese demands for a solution and has left the SLFP little opportunity for political gain.

Outlook

If a lasting communal settlement is reached, we believe Rajiv Gandhi will revert to a more balanced approach toward the two major parties. So far, India's neighbors have sanctioned or at least acquiesced in New Delhi's bid to broker a peace in Sri Lanka. It is likely, however, that Gandhi will be sensitive to the potential for charges of unnecessary meddling if India's increased role in Sri Lankan affairs lingers. In our view, Nepal and Bangladesh, in particular, will be watching closely to see if Gandhi overstates his welcome.

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On the other hand, a failure at the negotiating table and a new round of heavy fighting could cause New Delhi to reevaluate its backing of the UNP and shift attention to the SLFP. Tamil attacks would probably be aimed at creating more Sinhalese refugees that would, in turn, provide grist to SLFP charges that the government was mishandling the communal conflict. Full-scale fighting would help the SLFP arouse Sinhalese chauvinism among the electorate and increase pressures on Jayewardene to hold general elections. Under such circumstances, Sinhalese discontent with Jayewardene and his UNP Cabinet could prompt India to include the SLFP more fully in future negotiations and to restore Sirimavo Bandaranaike's traditionally close ties to New Delhi.

For the near term, Jayewardene is likely to continue to play up his Indian connection to buttress his own political base and improve his leverage over Bandaranaike and the SLFP. As talks progress, Bandaranaike is likely to seek consultations from New Delhi on the details of any settlement and may hope to cast herself as a key representative of Sinhalese interests. A lasting settlement would represent a major political victory for Jayewardene and dim SLFP hopes for new elections and a return to power.

Although India's current political role has met with little domestic opposition in Sri Lanka, both the UNP and SLFP know that they must respond to deeply held fears among the Sinhalese electorate that India might try to undermine Sri Lanka's independence. Even if India produces a settlement, the Sinhalese electorate will not approve further intervention in Sri Lankan affairs.



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Bangladesh: Ershad's Hectic Autumn

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President Ershad faces important challenges this fall as he prepares for a gradual relaxation of martial law and national elections, tentatively scheduled for early 1986. A wide range of antiregime groups is gearing up for protest actions, while the Bangladesh Army is expressing dissatisfaction with Ershad's performance. We believe that Ershad has a slightly better-than-even chance of staying in power for the next six months, but his prospects have dimmed recently.

Ershad's Strategy

Ershad, building on passage of the successful referendum to continue his leadership until a civilian regime takes over as well as on victories in local elections last spring, is planning to gradually relax martial law, allow political activity, and build a new progovernment political party. "Indoor politics" were allowed beginning 1 October, but outdoor rallies are still prohibited under martial law.

According to [] US Embassy reporting, Ershad intends eventually to lift all bans on political activity and hold national elections sometime between January and April 1986. Ershad told the local press that he will not cancel or postpone these elections. Opposition agitation forced the cancellation of the three previous elections. He has not announced whether he will hold the parliamentary and presidential elections simultaneously or consecutively.

The President spent most of this past summer building a new proregime political coalition. He wooed several prominent opposition politicians away from their parties by giving them Cabinet portfolios. He also successfully enticed several small parties, formerly aligned with the opposition, into forming a political front with his own Janadal Party. This new front, called the Jatiya, is regarded by most observers as the base for a progovernment party that will run in the proposed national elections next year.

Ershad's current strategy is to have his forces run against the Awami League—a leftist, pro-Indian opposition party—while excluding the Bangladesh Nationalist Party (BNP)—a more centrist opposition party—from competing. According to US Embassy reporting, Ershad fears that the inclusion of the BNP in national elections would split the moderate vote and result in a victory for the Awami League.

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Over the longer term, Ershad plans to schedule elections, resign from the Army, and be elected president with progovernment forces forming a majority in Parliament. He wants to legitimize his presidency and remove the stigma of martial law.

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Ershad is also trying to burnish his reputation at home and abroad by acting as host to the South Asian Association for Regional Cooperation (SAARC) summit meeting scheduled for December in Dhaka. Bangladesh is one of the founders of SAARC, and Ershad is concerned about projecting a positive image of his country. Antiregime groups, on the other hand, will probably use the opportunity to stage disruptions to embarrass Ershad. [] Ershad may reimpose full martial law to prevent unpleasant incidents.

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Opposition Regrouping

[] leftist labor and student groups, as well as Islamic fundamentalist parties, are planning to resume antiregime agitation now that the ban on political activity has been relaxed. [] for example, that the leader of a pro-Iranian Islamic party has called for a holy war against Ershad's regime. [] leftist labor groups are planning a "Hartel"—national strike—

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against the regime in late October unless Ershad agrees to their demands for higher wages and other reforms. []

The centrist BNP is playing into Ershad's hands by continuing its intransigence toward his regime. The BNP will refuse to participate in any elections unless parliamentary polls are held first and Ershad promises not to run for president and steps down from power once elections are completed. []

The Awami League is posing bigger problems for Ershad than the BNP. The league is already negotiating with Ershad's regime over possible participation in the parliamentary election next year, []

[] Awami League leader Sheikh Hasina Wazed is making demands that Ershad and his Army backers would probably refuse—immediate lifting of martial law and scheduling the parliamentary election before the presidential poll. []

Grumbling in the Military

In our view, Ershad is losing some of his support in the military. Although the Army, the chief arbiter of Bangladesh politics, supported his reimposition of full martial law in March as well as the referendum, there has recently been an increase in Army discontent. One source of grumbling is changes in the military wage scale, which resulted in a decrease in take-home pay for enlisted men, []

The Army is also embarrassed by the reputation [] that Ershad and those close to him have acquired, [] several Army cronies of Ershad's are being investigated by military intelligence for questionable business deals. []

The most serious complaint the Army has about Ershad, however, is the suspicion that he is trying to cut a deal with opposition parties, particularly the Awami League, on the proposed parliamentary election. []

[] Army generals are concerned that Ershad may agree to the Awami League's demand to hold the parliamentary election first and that this might give too much power to the league. (In addition to negotiating with the Awami League, the US Embassy reports that Ershad has offered to help finance the league's election campaign.) One Army general fears that Ershad may be trying to create a new, independent power base with the Awami League and leave the Army out in the cold; this general said that, because of growing Army discontent, Ershad would not remain in power for more than six months. []

Outlook

The President is entering what is probably the most crucial stage of his three-and-a-half-year presidency. We believe that he has an only slightly better-than-even chance at staying in power over the next six months. The job of relaxing martial law, suppressing opposition and leftist agitation, holding elections, and retaining the support of the military may prove too much for him. []

Nevertheless, Ershad is a tenacious survivor of Bangladesh politics, and, for now, there is no military rival for his job. Senior generals are probably willing to give Ershad more time to negotiate an election deal that does not threaten the Army's position. []

Ershad would probably take the Army's interests into account before concluding an election deal with the Awami League. He might, for example, agree to appoint a National Security Council, composed of military officers, that would act as a watchdog over a future civilian government. A senior Army general told US diplomats that the Army would welcome the creation of such a body. []

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It is likely, in our view, that both the Awami League and the BNP will refuse to participate in regime-mandated elections. Ershad may then decide to follow the lead of Pakistan's President Zia and hold parliamentary and presidential elections on a nonparty basis. Nonparty elections would probably be acceptable to the military and entice enough individual politicians to participate to make such elections credible.

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If Ershad were to make a deal with the Awami League that gives it substantial political power, then the Army would probably seek to remove him from power. The Army may also move against Ershad if opposition violence forces him once again to cancel or postpone elections.

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Religion and Identity: Highlights of an International Congress

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Religion and identity was the theme of the congress of the International Association for the History of Religions held in Sydney, Australia, on 18-31 August. Three concepts bearing on the religious, social, and political issues in the Middle East and South Asia emerged from the sessions on Islam, Indian religions, psychology, philosophy, and anthropology. Congress participants believe that many societies worldwide are turning to religion to find more well-defined and psychologically comforting identities. Other participants developed a cross-cultural model of religious fundamentalism, and psychologists examined the persistent allegiance to charismatic leaders. Scholars at the congress argued that, despite the wide variety of beliefs and practices, the most fruitful research lies in the analysis of the underlying commonalities of religious belief and behavior. They stressed the building of theoretical models to analyze religious movements.

Building Discrete Identities

Christians, Muslims, and Jews are using religion to overcome secularization and loss of traditional values. An identity based on religion turns away from the challenges of scientific rationality in favor of more transcendental values of faith, loyalty, and commitment. For example, Christian fundamentalists have developed a pseudoscience—creationism—that uses the Bible to disprove the discoveries of modern geology and biology.

Religious rituals, such as the five daily prayers of Islam, reinforce group identity. These rituals produce a clear line between those who follow the ritual (believers) and those who do not (nonbelievers). In Egypt, for example, young fundamentalists who want to show their piety artificially induce—with a hot iron—the callus (*zabiba*) on their foreheads that normally develops only after many years of putting one's forehead to the ground during prayer. The callus becomes the marker identifying one's religious zeal.

Other rituals provide an avenue for orderly change in identity. The hajj (pilgrimage) represents a break in a Muslim's life in which part of Islamic history is reenacted. It offers an opportunity for Muslims to return from the hajj with a new identity based on greater devotion to Islamic beliefs. Several observers commented that many women who have adopted conservative Islamic dress did so after completing the hajj.

Religious Fundamentalism

Several scholars developed a cross-cultural model of religious fundamentalism. They stressed that the understanding of religious behavior has been limited by the overemphasis on cultural uniqueness. They believe that the worldwide rise of fundamentalism has developed in the wake of broadly based social and cultural disintegration. Under the pressure of economic deterioration, political instability, and other changes induced by the forces of science and secularism, many societies are seeking to find concrete values and simple answers for their problems. Common features of religious fundamentalism in the Middle East and elsewhere include:

- Reduction of theology to a simplistic form. Scriptural passages are accepted as literal truth without consideration of their scriptural or historical context. Scripture has no symbolic meaning.
- Believers have limited knowledge of religious and cultural history and have a truncated view of mythology, rituals, and traditions.
- Believers hunger for authority and are intolerant of nontraditional lifestyles.
- Movements tend to fragment because no dissent is tolerated.

Fundamentalist movements are no longer quiescent. Their political aim is to build God's place on Earth. Although they reject the secular science that produces

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modern technology, they use the products of science—television, computers, cassettes—when it suits their purposes. They rationalize that technology is a weapon to achieve their divinely inspired goal.

Charismatic Allegiance

Another central theme of the congress was the emergence of charismatic leaders. In times of social confusion and anxiety, a charismatic figure frequently appears with a vision that promises to overcome contemporary problems. According to the psychologists at the congress, members of many religious sects or groups will maintain belief in a messianic or charismatic leader even if the leader's prophecy fails.

The psychologists believe that the rules governing group behavior—called social grammar—give meaning to events and a sense of purpose for the group led by a charismatic figure. Being accepted by the sect or cult justifies and legitimizes behavior that may be intelligible only in the eyes of the members and in the social context of the cult or sect. Group-specific rules are designed to influence and coordinate group behavior and often involve learning a special language; redefining standard words, charging words with a special emotion ("secular humanism" in Christian fundamentalism); and wearing special clothing (Islamic garb among Muslim fundamentalists).

The rules are predicated on maintaining belief in the charismatic leader's teachings. To acknowledge the failure of the leader's teaching is to risk the destruction of the social and emotional support that being a member of the group brings to an individual. Followers of a charismatic protect their beliefs with absolute faith to prevent a breach in the rules of behavior that would cause the group to crumble. Members who do not conform to the group's social expectations are labeled enemies of the group's religious ideals. Aberrant members are frequently ostracized and lose their group identity and its support system.

According to the psychologists, individuals become cult or sect members by going through a rite of passage. Membership in cults or sects may not be

formal, but there are still entrance rituals. These rituals usually include three stages:

- Individuals show interest in a movement or charismatic leader.
- A novice begins a sequence of actions such as study, contemplation, or isolation that aids him or her to abandon old ways and adopt the beliefs and behavior of the new group.
- Formal ceremonies, which may include chanting, weeping, embracing older members, or the donning of special apparel, provide the novice with a new identity as a member of the sect or cult.

Relevance to the Middle East and South Asia

The themes of the conference have implications for social and political developments in the Middle East and South Asia. The search for identity, which stems from the hunt for a comforting self-image in a turbulent region, is not likely to abate in the near future. Religious-based nationalist movements, such as the Sikhs' quest for an independent state of Khalistan, will probably increase. Religious fundamentalism will be an important force as long as political, economic, and social problems in the Middle East proliferate. Once established, these fundamentalist movements are likely to live on because the failure of the leader's prophecy does not alter the fundamentalists' beliefs.



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